

# Virtual Office Implementation Toolkit

*A Solution for State Government*

December 2007

Prepared by the Office of Efficiency Review, Governor Janet Napolitano, in conjunction with the Arizona Health Care Cost Containment System (AHCCCS), the Arizona Department of Economic Security (ADES), and the Arizona Department of Administration (ADOA).

## ***Table of Contents***

<b>SUMMARY.....</b>	<b>3</b>
<b>VIRTUAL OFFICE OVERVIEW .....</b>	<b>4</b>
Virtual Office as a Solution.....	4
<b>VIRTUAL OFFICE POLICY ANALYSIS FOR THE STATE OF ARIZONA .....</b>	<b>7</b>
An Exploratory Analysis by the Department of Administration .....	7
<b>VIRTUAL OFFICE IMPLEMENTATION.....</b>	<b>13</b>
Implementation Checklist .....	13
Management Readiness.....	14
Workplace Flexibility Matrix .....	14
Organizational Readiness Assessment Questionnaire .....	15
Assess Technology Requirements.....	17
Technology Considerations Checklist .....	17
VO Technology at AHCCCS.....	18
Operational Review .....	20
Virtual Office Job Analysis Checklist .....	20
Metrics .....	21
Standard Measurements Guide .....	21
Educational Component.....	24
The Virtual Worker Training Guide .....	24
The Virtual Supervisor Training Guide .....	32
Pilot Proposals.....	44
Virtual Office Pilot Proposal Example .....	44
Pilot Action Plan Guidelines .....	47
Implement, Evaluate, and Adjust.....	48
End of Pilot Survey for the VO Participant .....	48
End of Pilot Survey for VO Non-Participant.....	55
<b>OTHER TOOLS FOR IMPLEMENTATION.....</b>	<b>58</b>
Business Case Example .....	58
Virtual Office Policy Template.....	65
Virtual Office Policy Attachment #1: VO Questionnaire – Work Environment.....	69
Virtual Office Policy Attachment #2: Virtual Office Questionnaire - Employee .....	70
Virtual Office Policy Attachment #3: Equipment Checkout Form .....	71
Virtual Office Policy Attachment #4: Virtual Office Agreement .....	72
Virtual Office Policy Attachment #5: Virtual Office Timesheet Submission Process.....	74
Virtual Office Policy Attachment #6: User Affirmation Statement Form .....	75

### ***Summary***

#### **Purpose of the Virtual Office Toolkit**

The State of Arizona continues to be required to “do more with less.” And faces a number of issues related to its workforce, which includes many employees reaching the age of retirement, high absenteeism and turnover rates, and low compensation. One way to combat these challenges is through the implementation of Virtual Office within State agencies.

*Virtual Office (VO)* is defined as a fully functional worksite, connecting employees to the work process in the most advantageous setting, rather than employees having to come to a central office site to connect to the work process. It allows employees to work from home or a location closer to home, which provides them with more flexibility and lesser costs due to commuting. Benefits to the State would include increases in productivity and reductions in costly turnover, absenteeism, and space eliminated.

The Governor’s Office of Efficiency Review has been working with the Arizona Health Care Cost Containment System (AHCCCS), the pioneer agency in the State’s VO efforts, and with the Arizona Department of Administration (ADOA) for the purposes of establishing a standardized way for other agencies to join in the effort. The VO Toolkit is a combination of checklists and tools that will help agencies implement VO for their employees.

#### **Toolkit Format**

Included at the beginning of the Toolkit is a policy analysis done by ADOA that explores the feasibility of VO and whether it could be implemented in agencies within Arizona state government. The findings conclude that VO is feasible to implement with general considerations, most of which are intermingled in the tools included in this document.

There is an Implementation Checklist that will help guide agencies through the implementation process. The VO Toolkit is organized by these steps, which are as follows:

- **Determine Management Readiness**
- **Assess Technology Requirements**
- **Complete an Operational Review**
- **Develop Metrics**
- **Consider the Educational Component**
- **Create Pilot Proposals**
- **Implement, Evaluate, and Adjust**

Each of the steps within the Toolkit includes guidance and tools for implementation. It is important to note that all agencies operate differently and adjustments to the materials in this document may be needed in order for them to work in some operational environments. AHCCCS, ADOA Human Resources, and the ADOA Telework Program are available to help with implementation.

## ***Virtual Office Overview***

*"Commuting to office work is obsolete. It is now infinitely easier, cheaper and faster to . . . move information . . . to where the people are."*

*Peter F. Drucker*

### **Virtual Office as a Solution**

#### **The Workforce Issue**

The population of the State of Arizona continues to grow at record-breaking rates, which will continue to contribute to significant growth of the pressures on State operations to do "more with less." Some key issues related to the State's workforce include:

- **An Aging Workforce**: The average age of State employees is 45.7 years and half of the larger state agencies are expected to have over 25% of their active workforce eligible to retire in the next five years. These individuals leave after long tenures and with extensive knowledge of the State's operations. Without attention to employee retention and succession planning, the attrition of these experienced employees could significantly impact the State's ability to fulfill its mission.
- **Absenteeism and Turnover**: The State of Arizona experiences higher rates of absenteeism and turnover than the private sector and other state governments. The State's turnover rate in SFY 2007 was over 17%. The cost of this turnover involving covered positions alone is estimated at \$57.7 million. Absenteeism of State employees averages about 9 days per year. Nationally, according to the Bureau of National Affairs, turnover is around 13.2% and absenteeism is 3.13 days per year.
- **Compensation**: State operations and programs continue to expand within the context of budget constraints that limit full-time positions and salaries and challenge recruitment and retention efforts. State salaries are estimated at 7.1% below the market level. Recruitments for critical professional level positions take upwards of 9 months to a year in many cases. The responsibilities of these positions are greater than the compensation available.
- **Changes in Job Complexity**: As technology replaces routine work, a shift toward higher-skilled "knowledge worker" jobs is occurring. Current entry-level positions are requiring more skill and yet are still paying at just under \$11.00/hour with little to no hope for salary increases as the complexity of the job duties are learned.

#### **Virtual Office as a Strategic Solution**

Through Efficiency Review, agencies are encouraged to implement Virtual Office (VO) as an effective way of minimizing the impacts of these pressures while creating a better, more flexible work environment for State employees. Virtual Office provides an opportunity to take a fresh look at the roles and responsibilities of employees and supervisors in work areas and to determine if changes in job descriptions might result in the maximum effectiveness of existing staff.

Virtual Office fulfills the roles of a traditional office site utilizing the employee's home as their worksite by interfacing employees electronically to documents, other employees, and their managers. To formally explain Virtual Office, it is imperative to define both Virtual Office and Virtual Officer Worker:

#### **Virtual Office**

A Virtual Office is defined as "a fully functional worksite that is not bound to a specific location but is portable and scalable, connecting employees to the work process in the most advantageous setting, rather than employees having to come to a central office site to connect to the work process."

### **Virtual Office Worker**

A Virtual Office Worker is defined as “an Employee working at home or at a remote location for more than 50% of the work week with no designated individual workspace or computer equipment provided at a State office.”

### **Benefits of Virtual Office**

Virtual Office (VO) can address an aging workforce by providing the flexibility to continue to work part-time from home to employees after retirement. Additionally, VO technology gives the remaining workforce the opportunity to connect with retiring State employees, document those interactions, and validate keeping them on payroll part-time.

Although key attractions of VO are increased productivity and decreased costs, employees see virtual office as a “pay increase” due to decreased work related expenses (e.g., transportation, appropriate work attire, after school care and dependent care). This advantage partially addresses employee compensation issues. The time savings and reduced stress from eliminating the daily commute are also valuable to the employee and the employer alike as wellness and work-life improvements.

Virtual Office is a strategy that addresses employee retention and absenteeism and improves productivity. Research shows that an average increase in productivity of 30% can be expected from full time work employees that work from home. Additionally, reductions in turnover and absenteeism have been noted by such employer giants as AT&T, American Express, the Federal Government, and Los Angeles County, to name a few. In fact, LA County has one of the largest Virtual Office workforces in the country and documented a 20:1 benefit to cost ratio in the fourth year of their program.

On average, a company can save more than \$1,000 for office space/utilities per employee that no longer reports to a centralized office. Some companies have been able to reduce “headquarters” to a minimal staff with meeting facilities; the rest of their employees work from home. These arrangements save incredible facilities costs over the long term. For example, since 1995 AT&T reduced its office space by 50% and has saved \$500 million in office lease costs. The State of Arizona can realize similar benefits with the implement Virtual Office.

The Arizona Health Care Cost Containment System (AHCCCS) has already proven to be a prime example of how effective Virtual Office can be within a State agency. For State Fiscal Year (FY) 2007, the agency achieved savings of approximately \$323,000 and had over 150 employees working virtually. The expectations for FY08 are even greater. Other benefits to the State would include improved air quality, reduced roadway and traffic costs, increased rural employment, and improved access to a diverse workforce (students, elderly, and disabled).

### **How to Implement Virtual Office**

Many State positions could easily lend themselves to Virtual Office with the right tools and the right management. However, to create a success Virtual Office effort, the Efficiency Review Virtual Office Workgroup recommends following the list of tasks below:

- **Determine Management Readiness** – Managers need to be introduced to and educated on managing employees in a Virtual environment, which is contrary to “line-of-sight” management. It is beneficial to pilot Virtual Office beginning with an innovative manager that is fully interested in the effort.
- **Assess Technology Requirements** – Agencies need to assess systems to determine the ability to allow employees access to their work and their customers.
- **Complete an Operational Review** – Workflow processes should be assessed along with an analysis of positions or groups of positions to identify Virtual Office opportunities.
- **Develop Metrics** – Each position transitioned to Virtual Office should have standard metrics. Metrics will allow agencies to measure productivity, quality, absenteeism, retention, etc.

## ***Virtual Office Toolkit: Overview***

---

- **Consider the Educational Component** –The Arizona Government University (AZGU) is working to ensure that E-Learning is available for all mandatory classes and will work with agencies to establish agency specific on-line training classes.
- **Create Pilot Proposals** – Each position or group of positions should be proposed as a pilot before full implementation to ensure the possibility of success. A pilot will help address any challenges or needs that may need to be worked out before hand and create a formal decision process for executive staff to approve Virtual Office Efforts.
- **Implement, Evaluate, and Adjust** – Each position transitioned into Virtual Office should be evaluated after an adequate amount of time (approximately one to three months) to the effectiveness of making the transition permanent. Adjustments (i.e., technological changes, additional training for employees, new measurements, etc.), if needed, can be made during this evaluation.

### **Available Resources**

Because AHCCCS has worked vigorously to implement Virtual Office, there are a number of resources already available to assist other agencies in their efforts. These resource include the following:

- **Organizational Readiness Questionnaire** – Questions that will help identify if employees and/or management are ready to embrace a Virtual Office environment.
- **Job Analysis** – A set of guidelines that will enable agencies to identify positions most feasible to be transitioned to Virtual Office.
- **Pre and Post Evaluation Survey Forms** – Pre and Post standardized survey forms that may be used to evaluate the effectiveness of implementation.
- **Pilot Proposals** – Proposal formats that will assist agencies in mapping out implementation justification.
- **Metrics** – Basic measurements that should be used by agencies to track the success of each Virtual Office effort, such as ways to track increases in productivity and retention, and reductions of space costs.
- **Policies** – Necessary policies that should be used in every agency that implements Virtual Office to ensure appropriate regulation.

The Governor's Office of Efficiency Review developed the Virtual Office Toolkit tool based on AHCCCS' work in conjunction with ADOA. The Toolkit includes the resources listed above and should be used by other agencies to seamlessly integrate a virtual environment into their own operations. Together, State agencies can create a synergistic approach to creating a proactive enterprise that will ensure the efficiency of State government.

*The Virtual Office Toolkit is located on Arizona's Telework Website at [www.teleworkarizona.com](http://www.teleworkarizona.com), along with additional information on VO and telecommuting.*

## ***Virtual Office Policy Analysis for the State of Arizona***

### **An Exploratory Analysis by the Department of Administration**

#### **Issue**

Several state agencies have expressed an interest in the use of virtual office. The Governor has asked that the Arizona Department of Administration (ADOA) explore further the virtual office concept and make a recommendation as to the feasibility of expanding it to other agencies within state government.

#### **Recommendation**

Virtual office is feasible and could be implemented in agencies within Arizona state government. However, there are a number of considerations, the most basic of which is that a thorough business assessment must be conducted by management in order to clearly outline the measurable benefits that virtual office would bring to the organization. An equally important success factor is management's desire and ability to articulate and design the organization's workflow processes (can the tools required to do the job be replicated in a virtual office?). Management teams will also have to develop performance and productivity measures, ensure employee accessibility to ever-evolving technology, and develop virtual office policies that speak to training, work hours, work arrangements, record keeping, workers compensation, confidentiality, and other issues unique to agencies' organizations.

#### **History/Background**

Telecommuting was first introduced to Arizona state government in 1989. Telecommuting, or telework, permits a state employee, with management approval, to work at home, or a state office location closer to home, one or more days a week. Most recently, Governor Napolitano mandated a 20% participation in the Arizona Telecommuting Program for certain State of Arizona employees.

In the federal government, telecommuting started as a pilot program in 1990. The President's Council on Management Improvement (PCMI), in cooperation with the Office of Personnel Management (OPM) and the General Services Administration (GSA), established the Federal Flexible Workplace Pilot Project (Flexiplace). The nationwide program was established to improve the Federal Government's ability to recruit and retain capable employees by increasing their flexibility to balance work and family priorities, decrease commuting time, traffic congestion, and energy consumption.

In July 2005, AHCCCS began implementing the virtual office concept within the agency. AHCCCS established a Virtual Office Steering Committee consisting of Human Resources, Information Technology, and operational subject matter experts. AHCCCS's policy provides detailed steps and requirements a work unit must follow to initiate the virtual office process, and requires several employees to "pilot" working from home up to five days per week to determine any process issues with the virtual office program. Specific technology requirements were also established and a software assessment/GAP analysis of the participating pilot unit is conducted by AHCCCS Information Technology to ensure virtual office capability. AHCCCS now has over 15% of their employees working virtually.

#### **Evaluation Process**

ADOA and AHCCCS partnered to develop the above recommendation and following considerations. Representatives from ADOA included subject matter experts from Budget, Finance, Human Resources, Information Services, Management Services, and Risk Management. Representatives from AHCCCS included subject matter experts from Human Resources and Information Technology.

The team reviewed the advantages/benefits of virtual office, examined the feasibility of virtual office at the State level, and identified issues that would need to be assessed at the agency level. The State-level assessment included a review of employment-related laws, rules and policies, accounting/payroll considerations, liability issues, and technological considerations. Additionally, recommendations for tools and resources are provided if the decision is made to expand virtual office to all state agencies.

#### **Advantages/Benefits Of Virtual Office**

According to the U.S. Department of Education, which provides a flexiplace program, and other sources, telework/telecommuting/virtual office, can provide numerous benefits to society, the employer, and employees, as follows:

<b>Societal Benefits</b>	<b>Employer Benefits</b>	<b>Employee Benefits</b>
Increased family involvement in community and schools.	Reduced absenteeism and turnover.	Increased job satisfaction.
Improved conservation of transportation fuels.	Reduced administrative costs associated with office space (rent), utilities, equipment, and parking.	Commuting time reduced/eliminated.
Reduced air pollution, commuter trips and traffic congestion, thereby improving the environment.	Continuity of essential government functions in the event of national or local emergencies, such as a natural disaster or pandemic.	Increased flexibility in coordinating work schedules with personal and family priorities.
Improved employment opportunities for individuals with disabilities.	Improved employee morale and motivation.	Employee's ability to capitalize on peak productivity periods.
Reduced wear and tear on roadways.	Improved service to internal and external customers.	Improved quality of life.
Increased employment opportunities for retired individuals.	Increased employee productivity.	Reduced costs for transportation, food and clothing.

### **Assessment at the State level**

The State-level assessment includes a review of employment-related laws, rules and policies, accounting/payroll considerations, liability issues, and technological considerations:

### **Review of Federal Employment Laws**

A review of the federal employment laws indicates that no federal laws or regulations would prohibit or impede the implementation of a virtual office. All federal laws and regulations, such as Title VII of the Civil Rights Act, the Fair Labor Standards Act (FLSA), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA), etc., would still apply to virtual office workers.

### **Review of State Employment Laws -- Arizona Revised Statutes (A.R.S.)**

A review of the state employment laws indicates that no state laws would prohibit or impede the implementation of a virtual office, and all state employment statutes would still apply to virtual office workers. There are a few considerations that are noteworthy, and a complete listing of the employment-related statutes reviewed as part of this assessment is provided on Attachment A. Considerations include:

- A.R.S. 38-401. *Office hours for state offices*. If position is required to serve the public during regular business hours (e.g., call center), virtual office may not provide as much flexibility as a stand-alone position.
- A.R.S. 38-651 et seq. These statutes generally speak to benefits and area of coverage for state officers and employees, and include certain provisions regarding the availability or lack of availability of qualifying health providers within 50 miles of the officer's or employee's residence.
- A.R.S. 41-763. *Powers and duties of the director relating to personnel*. This statute mandates training, and how in-service training will be conducted must be a consideration of a virtual office.
- A.R.S. 41-763.04. *Reduction in force procedures*. If a reduction in force is conducted by geographic area, consideration may need to be given to virtual office workers that may be impacted.

### **Review of Personnel Rules -- Arizona Administrative Code (A.A.C.)**

A review of the ADOA Personnel Rules indicates that no personnel rules would prohibit or impede the implementation of a virtual office and all personnel rules would still apply to virtual office workers. Considerations include:

- If some employees in the agency receive shift differential pay, according to R2-5-303.O "...Employees in the same class in the same agency who work on the same shift shall receive the same shift differential rate."

### **Review of Statewide Human Resources Policies and Procedures**

A review of the Statewide Human Resources Policies and Procedures indicates that no policies or procedures would prohibit or impede the implementation of a virtual office, and all policies and procedures would apply to virtual office workers. A complete listing of the policies and procedures reviewed as part of this assessment is provided on Attachment C. Considerations include:



## ***Virtual Office Toolkit: Virtual Office Policy Analysis for the State of Arizona***

---

- According to the Shift Differential Policy, the current shift differential amounts are 5% of base salary for evening shift and 10% for night shift. A virtual office worker whose work hours are not specified by the agency or in the agreement and who is permitted to work during these shifts may be eligible for shift differential under the current policy.

### **Review of Other Statewide Policies and Procedures**

The State of Arizona has a comprehensive and nationally recognized Telework Program in place. The State of Arizona Telecommuting Policy and the Telecommuting Agreement address most of the issues that are associated with virtual office, including:

- Employees and supervisors must attend appropriate training
- Participants must have a signed agreement
- Participation is voluntary; not a benefit
- Conditions of employment remain the same
- Employee may self-assess and recommend telecommuting for themselves
- Salary, benefits, employer sponsored insurance coverage remain the same
- State's liability for job-related accidents will continue to exist during the approved work schedule and in the employee's designated work location
- If state owned equipment is damaged or stolen while in the employee's home, the state is required by law to file claims against any applicable insurance before applying state insurance coverage
- State equipment in the home office may not be used for personal purposes
- Unless otherwise agreed to in writing prior to any loss, damage or wear, the State does not assume liability for loss, damage or wear of employee-owned equipment.
- Office supplies will be provided by the State
- Office furniture will not be provided
- All software used must be approved prior to use
- Restricted access materials shall not be accessed unless approved by management
- Telecommuting is not a substitute for dependent care
- The teleworker should check with a tax consultant or the IRS regarding home office tax deductions

### **Accounting/Payroll Considerations**

A review of the General Accounting Office (GAO) Policies and Publications indicates that no policies or procedures would prohibit or impede the implementation of a virtual office, and all GAO policies and procedures would apply to virtual office workers. Considerations include:

- A.R.S. 38-621. *Persons eligible to receive travel expenses.* Consideration should be given to reimbursement from one's duty post. The agency may designate the virtual office or another office or have multiple duty posts.
- With regard to time and attendance sheets, Arizona state government has not yet met the criteria of A.R.S. 41-132. *Electronic and digital signatures; exemptions; definitions.* Consequently, time and attendance sheets must be signed by the virtual office worker and mailed to the agency.
- Since a virtual office worker works from home or a remote location at all times, it would be feasible for a virtual office worker to reside in another state. If this occurs, the State of Arizona will need to consider tax issues specific to the state in which the worker resides and modifications may be required in the Human Resources Information Solution (HRIS), which is currently programmed only for Arizona state income tax.

### **Liability (Risk Management) and Safety Issues and Considerations**

A virtual office worker, like the teleworker, is covered under Workers' Compensation during the understood and approved work schedule. A designated workspace should be maintained by the telecommuter in a clean, professional, and safe condition at the remote work location. Considerations include:

- Title 23, *Labor* and Title 41, *State Government* are applicable, to include worker's compensation obligations and overall risk management issues. The employer should give the virtual office worker information on safety and related issues, and it is reasonable for the employer to review the virtual office setting. If a virtual office worker would submit an industrial injury claim, it would be reviewed and investigated, as would any other such claim.

### **Technological and Security Considerations**

With the extension of the work environment to alternate work locations, technical requirements and security safeguards are required for a productive and secure work environment. As in a main office, security measures should cover not only information systems and technology, but all aspects of the information systems used by the employee, including paper files,

## ***Virtual Office Toolkit: Virtual Office Policy Analysis for the State of Arizona***

---

other media, storage devices, and telecommunications equipment (e.g., laptops, PDAs, cell phones). Virtual office and telework employees need to keep state government property and information safe, secure, and separate from their personal property and information.

Technical and security considerations may vary depending on the type of work the virtual office worker performs, the tools needed by the employee, and an agency's technical architecture. Common technical and security related elements are provided below:

- **Telephone security:** Depending on the sensitivity of voice communications between the virtual office worker and main offices or clients/customers, telephone security may be a consideration. The variety of choices for telephones spans a wide spectrum of privacy capabilities.
- **Email:** Email can be handled in a number of ways, with varying security considerations. Consideration should be given to the number, size, and confidentiality of any attachments that may be sent via email to and from the virtual office worker.
- **Remote Access:** High-speed network connectivity should be available if virtual office is to reach its full potential. Some applications may need to be redesigned or moved to a web-based architecture to achieve acceptable performance. Vulnerabilities arising from remote access applications need to be adequately addressed and may require additional resources.
- **Security of Data/Confidentiality:** Privacy and security requirements are incorporated and specified in regulations issued by the federal government, and in many cases, state government, regarding areas such as health, education, taxes, etc. The regulations specify that certain types of data must be encrypted and protected from unauthorized access, improper alteration, or disruption in availability.

The ADOA Information Services Division and AHCCCS Information Technology have developed a listing of technological considerations and recommended hardware, including cost considerations, for virtual office. This document is provided under the "Assess Technology Requirements" Section of this Toolkit.

The considerations listed above and on the referenced attachment address situations in which a worker needs access to electronic files, documents, and records. However, in situations where a worker needs to access paper documents, additional consideration must be given to document imaging. Simply put, document imaging is the process of scanning paper documents, converting them to digital images, and then storing them electronically. There can be a considerable variation in cost depending on the product selected and the indexing methods, which provide for retrieval of the documents. Further, if standards are not established and agencies contract for or develop their own document imaging and indexing methods, there is a risk that documents will not be accessible across agency lines. ADOA has initiated an Image Users Group to standardize and promote imaging, along with providing agencies assistance in imaging efforts.

### **Recommended Next Steps**

It should be noted that agencies were not contacted for the purposes of this initial feasibility review. If the recommendation that virtual office is feasible and is accepted and will be expanded to other state agencies, agency management support and involvement will be vital. For many agencies, the only exposure to the virtual office concept may have been the presentation given by AHCCCS Director Anthony Rodgers at a Cabinet meeting.

A number of steps will need to occur at the agency level. Each agency will need to assess if virtual office is feasible in their organization, including:

- Determining whether virtual office is consistent with the agency's mission, services, and culture
- Identifying area(s), classification(s) and/or positions eligible for virtual office by assessing and evaluating the type of work performed, work process flow, tools needed, and performance/productivity measures
- Reviewing the agency's current telework/telecommuting policy and identify gaps
- Assessing the agency's technological infrastructure and identify gaps, including costs

### **Enhancement/Development of Tools and Resources for Agencies**

To assist agencies in conducting a feasibility assessment and implementing a successful virtual office program, it is recommended that additional guidance and assistance throughout the process be provided to agencies. The State of Arizona Telework Program provides a number of tools and resources for teleworking employees, their supervisors, and agency management. These tools and resources can also be used and enhanced for a virtual office program. It is also recommended that a coordinating entity be identified, which could also serve the function of a central repository for the developed business assessments, performance/productivity measurements, and best practices.

Common tools, training, and resources should be refined and/or developed so that business assessments and measurements have a level of comparability. These tools would include:

- How to determine an area or areas within the agency that may meet virtual office criteria
- How to develop a business case for implementing a virtual office program - such an approach will engage management on the benefits of virtual office and help identify cost reductions to offset additional costs that may be incurred in implementing virtual office
- Providing templates for: a virtual office policy, agreements, safety assessments of the virtual office, and check-out forms for agency-owned equipment
- Guidelines for performance management
- Standardized training for virtual office workers, to include methods for maintaining communication within the work unit and addressing possible feelings of isolation
- Standardized training for supervisors/managers of virtual office workers, include how to supervise/manage from a distance
- Standards for equipment in the virtual office environment

### **Policy Issues and Developing a Virtual Office Policy**

A well-written policy, similar to the State of Arizona Telework Policy, will be necessary to provide the framework for a successful virtual office program. The policy should address:

- Eligibility criteria to ensure that virtual office workers are identified and selected on an equitable basis using criteria such as suitability of tasks and employee performance
- Requirements to facilitate communication among virtual office workers, managers, and coworkers
- Privacy and confidentiality issues
- The virtual office agreement
- Whether the equipment (phone, computer, fax, modem, etc.) will be provided by the agency or the virtual office worker
- Guidelines on workplace health and safety issues to ensure that virtual office workers have a safe and adequate place to work

AHCCCS has developed a separate Virtual Office Policy, citing, "AHCCCS Virtual Office will be regarded as different from AHCCCS Teleworking and, as such will have its own policies, procedures, etc." AHCCCS' Virtual Office Policy is a dynamic policy that is modified as circumstances of their pilot dictate. The AHCCCS policy has addressed gaps between the State of Arizona Telecommuting Policy and policy issues specific to virtual office, e.g.:

- Defining virtual office
- Each AHCCCS division must participate in a pilot prior to moving large numbers of positions to virtual office. Each pilot must capture and document performance measures, benefits, and lessons learned prior to expansion beyond the pilot
- Continued participation in virtual office is determined by consistently meeting the measurable work performance standards established by the division's management
- High-speed Internet access is required for participation in the virtual office program. Other business requirements specific to the division/unit must be established prior to participation in a pilot
- A Thin Client device will be used for all virtual office computer connections. Printers will not be distributed for virtual office workers.
- The AHCCCS Virtual Office program cannot be implemented and will not be supported by AHCCCS unless the business area(s) has been identified as a virtual office candidate by the division's executive management.
- Virtual office workers outside Arizona should check with a tax consultant or the IRS regarding individual tax ramifications.

***Note: The Virtual Office Policy Template provided in this Toolkit was modeled after AHCCCS' Virtual Office Policy.***

Using the State of Arizona Telework Policy, AHCCCS's Virtual Office Policy, and their respective agreements as models, enhancements should be made to the tools and resources to address gaps and additional considerations, including:

- Clarify that an employee's participation in the virtual office program is a benefit and not a right
- Provide grievance rights if an employee's request for virtual office is denied (AHCCCS's current policy states that management's decision to not allow an employee to work in a virtual office environment is not grounds for a grievance)

## ***Virtual Office Toolkit: Virtual Office Policy Analysis for the State of Arizona***

---

- Virtual office may become a condition of employment for some positions; address recruitment of virtual office workers and how future promotional opportunities will be handled
- Describe how discipline of the virtual office worker will be handled
- Virtual office workers who do not reside in Arizona require the State of Arizona to consider employment laws and tax issues specific to the state or country (expatriate considerations) in which the virtual office worker resides
- Examine and if possible, provide alternative, acceptable technological configurations in order to address different levels of funding availability

### **Summary**

With the right tools, a thorough business assessment, clear and measurable work flows, and with policy issues properly addressed, state government management teams could move toward the virtual office. Today, tomorrow's workers are instant messaging (I/M), shopping, playing, chatting and developing relationships in the virtual environment. In a few years, they'll expect to work in it, too.

## *Virtual Office Implementation*

### **Implementation Checklist**

The Virtual Office Toolkit for State agencies is a collection of implementation steps and documents that will help guide agencies through implementation of Virtual Office. Each step contains a description and an action that provides suggestions on how to complete the step. Documents in the Toolkit can be used to complete each step. Some of the documents are included as attachments in the Virtual Office Policy Template.



STEP	ACTION	DESCRIPTION	SUPPORTING TOOLKIT ITEMS	<input checked="" type="checkbox"/>
1	<b>Determine Management Readiness</b>	Managers need to be introduced to and educated on managing employees in a Virtual environment, which is contrary to “line-of-sight” management. It is beneficial to pilot Virtual Office beginning with an innovative manager that is devoted to the effort.	Workplace Flexibility Matrix; Organizational Readiness Questionnaire; Business Case Example.	<input type="checkbox"/>
2	<b>Assess Technology Requirements</b>	Agencies need to assess systems to determine the ability to allow employees access to their work and their customers.	Technology Gap Analysis.	<input type="checkbox"/>
3	<b>Complete an Operational Review</b>	Workflow processes should be assessed along with an analysis of positions or groups of positions to identify Virtual Office opportunities.	Virtual Office Policy Template; Job Analysis Checklist, Equipment Checkout Form; User Affirmation Statement Form.	<input type="checkbox"/>
4	<b>Develop Metrics</b>	Each position transitioned to Virtual Office should have standard metrics. Metrics will allow agencies to measure productivity, quality, retention, etc.	Standard Measurements Guide.	<input type="checkbox"/>
5	<b>Consider the Educational Component</b>	Mandatory training for most State employees can be done on-line rather than requiring travel. The Arizona Government University (AZGU) is working to ensure that E-Learning is available for all mandatory classes and will work with agencies to establish agency specific on-line training classes.	VO Supervisor and Worker Training Materials.	<input type="checkbox"/>
6	<b>Create Pilot Proposals</b>	Each position or group of positions should be proposed as a pilot before full implementation to ensure the possibility of success. A proposal will help address any challenges or needs that may need to be worked out before hand and create a formal decision process for executive staff to approve Virtual Office Efforts.	Virtual Office Proposal example; Pilot Action Plan Example.	<input type="checkbox"/>
7	<b>Implement, Evaluate, and Adjust</b>	Each position transitioned into Virtual Office should be evaluated after an adequate amount of time (approximately one to three months) to the effectiveness of making the transition permanent. Adjustments (i.e., technological changes, additional training for employees, new measurements, etc.), if needed, can be made during this evaluation.	End Surveys for Virtual Office Participants and Non-Participants.	<input type="checkbox"/>

## **Management Readiness**

Managers need to be introduced to and educated on managing employees in a Virtual environment, which is contrary to “line-of-sight” management. The following tools will help guide an agency in determining if it is ready for the implementation of Virtual Office or what needs to be adjusted in order to implement it.

### ***Workplace Flexibility Matrix***

How flexible is your agency?

	Option	State Benefits	Employee Benefits	Attributes and Characteristics	Agency Policies	States Policies
<b>LOW</b>  <b>Degree of Flexibility</b>	<b>Leave Time</b>	Reduce turnover	Reduced stress	<ul style="list-style-type: none"> <li>- Standard benefits as condition of employment</li> <li>- Planned and Unplanned</li> <li>- Holiday, Annual, Sick, FML, Bereavement, etc</li> </ul>	Attendance and Leave FMLA	A.R.S. §38-401 ADOA Personnel Rules R2-5-402 through R2-5-414
	<b>Flextime</b>	Reduce turnover, stress and burnout.  Retain and attract new qualified employees.  Reduce training and hiring costs.	Greater balance of work-life priorities  Reduced stress.  Reduced family conflicts	<ul style="list-style-type: none"> <li>- Discretion of Management based on work functions</li> <li>- Establish core work hours and parameters</li> <li>- Alls employees to adjust hours within core hours</li> </ul>	Alternative Work Schedules Flex Time	A.R.S. §38-401 A.R.S. §41-783 ADOA Personnel Rules R2-5-502
	<b>Compressed Work Schedule</b>	Reduce traffic congestion / air pollution.  Decrease absenteeism.  Increase job satisfaction, morale	Reduced turnover  Reduced burnout  Improved job satisfaction.  More time with the family.	<ul style="list-style-type: none"> <li>- Discretion of Management based on work functions</li> <li>- Work week schedule varies from standard 5days/week</li> <li>- 9/80, 4/10, 3/12 Work Schedules</li> <li>- 9/80 Schedule Agreement</li> </ul>	Alternative Work Schedules	A.R.S. §38-401 ADOA Personnel Rules R2-5-502
	<b>Telework</b>	Create recruitment benefit  Increase productivity  Improved Customer Service  Reduce office space requirements	Reduced commute time and expense.  Reduced food and clothing expense  Reduced sick days  Improved Quality of Life	<ul style="list-style-type: none"> <li>- Discretion of Management based on work functions</li> <li>- Allows work performed from home or remote location a certain number of days per week, pay period, or as needed</li> <li>- Remote connectivity</li> <li>- May or may not include hoteling and satellite office</li> </ul>	Telecommuting Remote Access Authentication Standard Video Conferencing Standard Remote Access for Non-employees, Support, and employees Document Management / Imaging	A.R.S. §41-786
<b>HIGH</b> 	<b>Virtual Office</b>	Reduce overhead costs  ADA compliance		<ul style="list-style-type: none"> <li>- Discretion of Management based on work functions</li> <li>- Work is performed from home or from a remote location</li> <li>- Remote connectivity</li> <li>- No designated workspace in office.</li> </ul>	Virtual Office	A.R.S. §41-786 ADOA in process of drafting a policy (are they still working on it?) AHCCCS has a policy DES has a policy

## ***Organizational Readiness Assessment Questionnaire***

For a Virtual Office Initiative

### **Management / Supervisor Readiness Assessment**

- Q: How will VO help you meet your business needs?
- Q: Do you expect any hard cost savings from VO in the short run and/or long-term?
- Q: Does the supervisor know the work processes and have experience supervising the work force considered for VO?
- Q: Will the Supervisor be a virtual worker as well?

**Action:** Have the Supervisor complete the Supervisor Readiness Assessment questionnaire.

### **Employee Readiness Assessment**

- Q: Does the work unit to be virtualized already have employees regularly working in a Telework Agreement?
- Q: Do you believe the employees would be willing to try VO setting?
- Q: How many employees do you expect would be in the VO pilot group?

**Action:** Have the employees complete the VO Assessment

### **Technologies**

#### **Equipment**

- Q: What IT equipment would be needed?
- Q: What IT software applications would be used?
- Q: Are there other types of office equipment needed? If so, please list.

#### **Network Connectivity**

- Q: Is High Speed Internet available at the employee's home site?
- Q: Does the employee need mainframe application access?

#### **Phones**

- Q: What type of phone & call features do they use now?

#### **Support Services**

- Q: How will "help desk" and technology training be provided?

### **Work Flow Analysis**

- Q: What is the degree of face-to-face communications used in the position?
- Q: What business tools are used now and can they be used remotely?
- Q: Would VO create an unacceptable barrier to service integration?
- Q: Does the position require the use of hard copy files, documents, charts? If so, what is needed?

### **Performance Management Process**

- Q: Are there objective performance measures used now? If so, what are they?
- Q: Does baseline performance data exist for these measures? If so, please list or attach?
- Q: Are the measures trackable and applied consistently across all similar positions?
- Q: Are PASE reviews current and held regularly with employees?

**Policies**

- Q: How will virtual office operations impact policies established for the work area regarding work hours, work processes, customer service, etc.?
- Q: How will virtual office operations impact policies established for handling information security, data confidentiality, client records and files, etc.?

**Communications**

- Q: How will staff communications, updates and meetings be handled?
- Q: How will staff performance issues be handled?
  - 1. Recognition
  - 2. Concerns
- Q: How will the rollout of VO in one area of your division impact other areas?

**Facilities**

- Q: Will VO free up leased or owned space? If so, what will happen to the space?
- Q: Do you have overcrowding that VO will help relieve work space crowding concerns?

**General Concerns**

- Q: What are your main concerns with VO for your staff?



## **Assess Technology Requirements**

Agencies need to assess systems to determine the ability to allow employees access to their work and their customers. This is also important due to the high costs of Information Technology changed that may be needed. The following is an analysis tool that can help an agency determine what technology map me be needed in the implementation of Virtual Office.

### ***Technology Considerations Checklist***

Each of the technology items below should be considered in the implementation of Virtual Office within an agency.

<input checked="" type="checkbox"/>	ITEM	DESCRIPTION
<input type="checkbox"/>	Standardization	Standardize the end user VO hardware configuration and define all costs including ongoing support costs.
<input type="checkbox"/>	High Speed Internet	VO participant's connection should have upload speeds of at least 512Kbps and download speeds of at least 7-10 Mbps.
<input type="checkbox"/>	Agency Server Configuration	Multiple dual-core servers should be used to equally load-balance connections and preferably be geographically dispersed.
<input type="checkbox"/>	Agency VPN	A secure VPN tunnel should be used to connect the virtual office worker's router to the Agency's network.
<input type="checkbox"/>	Agency Backup/Storage	All data should be stored on the agency's defined storage devices and backed up using the agency's standard backup solution.
<input type="checkbox"/>	Agency Application considerations	All applications used by virtual office workers should be accessed on the server and not the client. Baseline performance of applications to verify no adverse performance in a server environment.
<input type="checkbox"/>	Security	Security, no printing, local storage or copying to local storage should be allowed.

## ***VO Technology at AHCCCS***

### **Hardware Costs for Home Equipment Per Setup**

- Initial setup costs
  - Cisco 831 Router \$386.16
  - 7940 Cisco Phone \$157.68
  - Call Manager license \$119.00
  - Unity license 38.68
  - Agent license \$130.00
  - Phone Power cord/brick \$33.00
  - Thin Client \$300.00
  - USB Keyboard/Mouse \$30.00
  - 19" LCD Monitor \$252.00
  - Approx Taxes \$105.42
  - Total \$1,551.94**
- Ongoing monthly costs
  - AZNet (non agent) \$53.43
  - AZNet (agent) \$86.29

### **High Speed Internet**

- Recommended hard-wired connection with upload speeds of at least 512Kbps and download speeds of at least 2Mbps with a response time under 100msec for best results.
- Cox Cable and Qwest DSL are the two most commonly used ISPs
- VO user's Internet bandwidth must be able to concurrently support VOIP and Terminal Server traffic through the VPN tunnels. Not: a single voice call will consume ~64Kbps, and the terminal server session can consume all available user upload bandwidth depending on the amount of screen-change activity.
- The Internet does not support Quality of Service (QoS), therefore, at times VO users may experience intermittent occurrences of one-way audio, delay, and dropped voice calls.
- AHCCCS pays a stipend to cover the monthly costs of the ISP service
- Costs
  - Setup fee \$150.00
  - Monthly fee \$50.00

### **Server Considerations**

- To support 85 concurrent terminal server users:
  - 2 servers, each with 2 dual-core CPU's setup in a Microsoft NLB cluster to equally balance connections, 6GB RAM (each), 15k RPM SCSI or SAS disks in a RAID 5 configuration, Dual Gigabit Ethernet NIC's
- Windows Server 2003 R2 Enterprise edition
- Server in a Windows domain that can perform session directory services
- Windows 2003 Active Directory group policy to setup terminal server roaming profiles and group policy settings to preserve user settings, and to administer server security

### **Backup/Storage considerations**

- Data is not stored or backed up on the terminal servers
- Terminal server configuration is imaged so that it can be replicated on other servers.
- All user data is stored on Agency's Network Attached Storage devices, and backed up using Agency backup solution.

### **VPN Considerations**

- VO user end of the tunnel is a Cisco 831 router.
- VPN tunnel is established between the end user Cisco 831 routers and the primary Agency VO router.
- Agency VO router is a Cisco 7206 series router with a VPN accelerator module.

### **Terminal Server Application Considerations**

- All applications used by VO workers are accessed via terminal services.
- Baseline performance of applications has been documented to verify no adverse performance affects on terminal servers.
- Documented processes exist to add new software to the terminal server environment.

### **Security Considerations**

- No printing allowed on end user workstation
- No local storage or copying to local storage on the terminal servers or thin client
- Only the thin client can talk to the inside Ethernet port interface of the Cisco 831 router

## **Operational Review**

Workflow processes should be assessed along with an analysis of positions or groups of positions to identify Virtual Office opportunities.

### ***Virtual Office Job Analysis Checklist***

Criteria for Identifying VO Compatible Positions

**Title of Position:** \_\_\_\_\_

**Note:** Answers that are shaded represent a “favorable” response tending to support a Virtual Office worker position. However, this is only a guide and there may be exceptions to these answers that would be acceptable for a VO worker.

<b>Job Analysis of Work Functions</b>	<b>YES</b>	<b>NO</b>
<b>Contact with the Public</b>		
Does the position require face-to-face interactions with the public in an office setting		
Does the position frequently require face-to-face interactions with co-workers		
<b>Office Hours</b>		
Does the position require the employee to work during regular office hours of 8a–5p, M-F.		
Does the position require the employee to work during 2 <sup>nd</sup> and 3 <sup>rd</sup> shifts		
Can the work duties be performed during irregular work hours		
<b>Nature of Duties</b>		
Are the work duties and tasks consistent and routine		
Are the duties largely performed on the computer or phone		
Can the work functions vary greatly from day-to-day		
Does the position require a lot of travel to perform its duties		
Does the work have to be physically performed at a DES office		
<b>Productivity Measures</b>		
Are there established productivity measures for the position		
Are there existing baseline performance measurements for the position		
Are there objective criteria for evaluating performance		
Are there objective measurement tools to track performance		
Can the work output be measured and tracked		
<b>Equipment to Perform Work</b>		
Is a fax machine required to perform work duties		
Is a copy machine required to perform work duties		
Is a computer required		
Does the position make lots of long-distance calls		
<b>Sensitive Documents</b>		
Does the position physically handle sensitive / confidential client-related printed information		
Does the position regularly use contract agreements, grant documents, etc.		
Does the position require the employee regularly to sign documents		
Does the position require the use of paper documents		
Does the position routinely mail information		
Does the position routinely interoffice information		

### **Metrics**

Each position transitioned to Virtual Office should have standard metrics. Metrics will allow agencies to measure productivity, quality, retention, etc.

### ***Standard Measurements Guide***

For standardization purposes, the following measures should be used when calculating the potential cost savings that may result from implementing Virtual Office. Please note that the values used for these calculations change annually. Updated values can be found, whenever new data becomes available, on the Business Strategy webpage of TeleworkArizona.com.

#### **Estimating Savings from Reduced Turnover in your Agency**

*Multiply the reduced number of turnovers by \$14,489.* This figure represents 30% of the average 2007 State employee's annual salary (\$37,151) and ERE (30%) at \$48,296 and the cost of the activities required to process each turnover in State service, including:

##### **Separation Activities:**

- Exit interviews (salary and ERE of interviewer)
- Salary paid after separation
- Administrative and record keeping

##### **Recruiting and Selection Activities:**

- Pre-employment administration and testing
- Selection interviews
- Meetings to discuss and evaluate candidate

##### **Example:**

If VO helped to reduce annual turnover by 5 employees, the calculation of savings would be:

$$5 \text{ FTE} * \$14,489 = \$72,445 \text{ in savings}$$

#### **Estimating Savings from Reduced Sick Leave**

*Multiply the number of FTE in the agency by the reduced number of days of sick leave and by the average daily wage of \$185.76.* The \$185.76 is based on the average 2007 State employee's (\$37,151) and ERE (30%) at \$48,296.

##### **Example:**

If an agency has 100 employees and the annual average of days of sick leave was reduced by 2 days, the calculation of savings would be:

$$2 * \$185.76 \text{ per day} * 100 = \$37,152 \text{ in savings}$$

#### **Estimating Increases in Productivity**

Calculate the difference of productivity within the Virtual Office setting as compared with the average productivity standard within the office setting. This can be a measurement of how many applications were processed in a month, how many calls were handled in a month, how many cases were processed in a month, etc. Compare it with the productivity experienced in the virtual office setting.

##### **Example:**

If the employee in the "office setting" processed 50 application per month and then processed 55 application per month in the "virtual office setting," the calculation of productivity would be:

$$55/50 = 110\% \text{ (a 10\% increase in productivity)}$$

### **Estimating Space Reduction Savings**

A space reduction is when space is no longer needed or being paid for, which translates into a savings for the agency. Space Reduction savings can be counted when space is vacated and no longer paid for. The closing of an office building should be considered a savings as well as reverting leased space back to the landlord. However, an employee vacating a cubicle in an office setting should not be considered a savings due to the general space still be used and paid for.

#### **Example:**

Space savings should include the amount paid for the lease, the cost of utilities, cleaning, and maintenance costs. Each building's costs will be different and can be assessed by consulting the agency's Risk Management and their finance office.

<b>Lease =</b>	<b>\$20,000/year</b>
<b>Utilities =</b>	<b>\$4,000/year</b>
<b>Cleaning =</b>	<b>\$3,000/year</b>
<b>Maintenance =</b>	<b>\$1,500/year</b>
<b>Total Savings =</b>	<b>\$28,500/year</b>

### **Estimating the Annual Vehicle Miles, Pollution, Commute Time and Fuel Saved**

#### **Commute Miles Saved**

The 2007 State Travel Reduction Survey revealed that 69.5 percent of State employees drive alone to work, and the average commute distance is 33 miles round trip. *Use these figures to calculate the number of miles saved per year.*

#### **Example:**

If your agency has 20 VO workers that commute an average of 33 miles round trip with 248 working days per year, the calculation of miles saved would be:

**$20 \times 248 \times 33 \times 0.695 = 163,680$  commute miles saved**

#### **Pollution Saved**

Vehicle emissions tests show that one pound of pollution is emitted for every thirty miles driven in Maricopa County. *Divide the number of vehicle miles saved per year by 30 to get the number of pounds of pollution saved by teleworkers in one year.*

#### **Example:**

Using the **Commute Miles** example above, the calculation of pounds pollution saved would be:

**$163,680 / 30 = 5,456$  pounds of pollution saved per year**

### **Commute Time Saved**

The 2007 State Travel Reduction Survey revealed that the average State employee in Maricopa County spends 72 minutes commuting round trip. *Use this figures to calculate the number of commute time saved per year.* Multiply the number of vehicle miles saved per year by 72 and divide by 60 to get the annual number of hours saved by teleworkers in one year.

#### **Example:**

Using the **Commute Miles** example above, the calculation of commute time saved would be:

$$20*248*72*0.695=248,198 \text{ commute time saved per year}$$

### **Gasoline Saved**

*Divide the number of vehicle miles saved per year by 21(average vehicle miles per gallon\*) to get the number of gallons saved per year by teleworkers. Multiply this number by \$2.62 to get the annual fuel cost savings in 2007 by teleworkers.*

#### **Example:**

Using the **Commute Miles** example above, the calculation of fuel cost savings would be as follows:

$$163,680/21*2.62=\$20,421 \text{ fuel cost savings per year}$$

\*The average cost of gasoline for FY 2007 is calculated from monthly averages reported by AAA for Arizona.

### **Non-Quantifiable Savings of Virtual Office**

It's a proven fact that daily stress reduces employee productivity, and the drive to work is one of the most stressful parts of our day. Driving on congested roadways has physical and psychological costs as well. Recent studies show that the stressful commute to and from work has diverse effects on blood pressure, mood, tolerance, frequency of illness, work absences, and job stability. Perhaps this is one reason why employees are often more productive in a virtual setting.

## **Educational Component**

Mandatory training for most State employees can be done on-line rather than requiring travel. The Arizona Government University (AZGU) is working to ensure that E-Learning is available for all mandatory classes and will work with agencies to establish agency specific on-line training classes. For the purposes of ensuring that Virtual Office workers and supervisors are trained on their new roles in a virtual environment, training materials are included in the section for agencies to use.

### ***The Virtual Worker Training Guide***

#### **PROCESS COMPARISON**

#### **VIRTUAL OFFICE MYTHS**

#### **DO'S FOR THE VIRTUAL OFFICE WORKERS**

#### **DON'TS FOR THE VIRTUAL OFFICE WROKER**

#### **SAFETY GUIDELINES FOR THE HOME WORK SPACE**



**Process Comparison**

**Current Office Process**

**Virtual Office Process**

<b>Managing by Productivity</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Managing by Productivity</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Communication</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Communication</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Planning</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Planning</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Work Environment</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Work Environment</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Measuring Success</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Measuring Success</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Employee Issues</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Employee Issues</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>

### **Virtual Office Myths**

1. I won't know they are working from home
2. Virtual Office Employees must have a computer to work from home.
3. I won't get promoted if I work from home.
4. Virtual Office Employees are not available when you need them.
5. A virtual office setup is not for everyone, so it's not fair
6. Everyone will want to work from home.
7. Equipment will be expensive.
8. Virtual Office Employees cause more work for supervisors
9. Virtual Office Employees cause more work for coworkers.
10. Our type of jobs are not compatible to a virtual office environment.
11. The public would not support State employees working from home.
12. Our employees deal with confidential information so they can't work from home.

---

#### **I won't know they're working at home.**

##### **What Experience Has To Say:**

Supervisors discover they are better able to monitor the work by shifting the focus from how much work the employee looks like he or she is accomplishing to how much he or she actually is accomplishing. By focusing on the work product instead of the work activity, many supervisors find they are better able to communicate clear expectations to their employees. When supervisors and a virtual office worker agree on job expectations, it often leads to increases in employee productivity and job satisfaction. Many supervisors already use this method of management by results.

Mid-level managers and front-line supervisors reported that they felt supervising an employee working from home involved a change in management style from management by observation of the job being done to management of the results. The participants routinely reported as positive any changes they made to their management style in order to more effectively supervise a VO employee.

As reported by senior managers, logs and time sheets and daily or frequent contact with virtual office workers were the most typically used monitoring strategies. Seventy-seven percent of State non-virtual office worker and 86% of State virtual office workers disagreed with the statement that, "It is difficult to track the work products of virtual office worker."

State VO pilots consistently show that, after six months, both virtual office worker and their supervisors believe that a VO environment has increased the VO workers productivity. Productivity increases because employees have fewer distractions and interruptions, work at their personal peak times, and are less stressed due to the absence of the commute. The most commonly mentioned benefits of VO by senior managers were increased work efficiency and productivity, and increased employee morale.

Ninety-two percent of the Virtual office workers and seventy-two percent of the non-Virtual office workers disagreed with the statement that they would get less work done if they worked from home part of the time.

---

#### **Virtual office worker must have a computer to work from home.**

##### **What Experience Has To Say:**

AHCCCS will be providing the necessary computing and telephony equipment required for the VO worker to perform their job.

### **I won't get promoted if I work from home.**

#### **What Experience Has To Say:**

Actually, current research suggests a virtual office worker is more likely to be promoted than their non-VO coworkers according to a study mentioned in the *Advanced Management Journal*, Summer '92. The reason for this may be that Virtual office workers tend to be selected by management because they work well independently and can be trusted to perform well remote from the office environment.

Eighty-nine percent of State Virtual office workers disagreed that they felt out of the loop when working from home. The employee survey found no significant difference in promotion rates between a Virtual office worker and a non-Virtual office worker.

---

### **Virtual office workers are not available when you need them.**

#### **What Experience Has To Say:**

A virtual office worker will work with their supervisors during training to create an individual agreement where responsibilities are restructured to maintain work group integrity and plan how they will maintain communication with the office and what will be done to meet contingencies. If the telecommuter is needed, he or she may be asked to come in to the office or join an emergency staff meeting by conference call.

Ninety-two percent of Virtual office workers and 80% of non-Virtual office workers disagreed with the statement, "A Virtual office worker is never around when you need them." State managers disagreed in the same proportion as employees.

---

### **VO is not for everyone, so it's not fair.**

#### **What Experience Has To Say:**

Offering the opportunity to work at home is a management option; VO is not a universal employee benefit. Supervisors may select employees who have right tasks, abilities and circumstances at home necessary to become a virtual office worker. But an employee's participation in the State's VO program is entirely voluntary. Not having the opportunity to work from home is not grounds for a grievance. VO is not for everyone and not everyone wants it. The focus on fairness can be deceiving. We all have different needs. Rather, look at fairness as offering several flexible work options like flextime or compressed work weeks so most everyone will have the opportunity to get the flexibility they need when they need it.

---

### **Everyone will want to work from home.**

#### **What Experience Has To Say:**

Most people prefer the normal work week. Everyone does not want or need the same flexibility in the work place. Flexibility in the workplace is not usually offered as a universal employee benefit, but at the option of management. A State employee with information handling tasks at least part of the time may be a candidate for VO. A successful virtual office worker is self-motivated and results-oriented employees who work well independently. They need minimal supervision, are currently successful in setting priorities, meet deadlines and take the initiative to communicate with team members. Beyond this, they need the right atmosphere and equipment to work from home.

A strong majority of non-VO respondents answered that they perform at least one VO job task on a regular basis. Of non-VO participants 83 percent indicated that their jobs task were suitable for VO, but 33% were not willing or didn't have resources at home to enable them to work from home.

## ***Virtual Office Toolkit: Virtual Office Implementation - Educational Component***

---

**Equipment will be expensive.**

**What Experience Has To Say:**

Many employees find the opportunity to work from home is so worthwhile they choose to use their personal equipment when equipment is not available from their offices. Many agencies have computers that people can take home

The costs associated with implementing VO are small when compared to the costs of not implementing such options; consider the costs of continued loss of employee productivity due to stress, low morale, burnout and turnover. LA County, one of the largest VO programs in the country, found a 20:1 benefit to cost ratio in the fourth year of their VO program.

A strong majority of State employees (83%) indicated that their job tasks were suitable for VO. Sixty-seven percent of State employees have or would be willing to purchase the equipment necessary to allow them to telecommute.

---

**A virtual office worker causes more work for supervisors.**

**What Experience Has To Say:**

Managing employees on a flexible schedule will require more communication of the work product and expectations. One of the extra benefits of flexible work options is that it forces management by task and objective. Many managers have found that the increase in quality communication with employees has reduced their overall workload over time. Reduced interaction with coworkers also forces communications to be more direct and business-like.

Managers and supervisors felt that there was no difference supervising a VO employee or a no VO employee, this was a non-issue. In all six groups supervisors and managers reported selecting virtual office worker based upon their previous good performance. In the majority of cases, the VO employee had to agree upon tasks to perform while at home and this performance was monitored closely.

Seventy-six percent of States non-Virtual office workers and 85% of the States Virtual office workers disagreed with the statement that, "It takes more time to supervise a VO employee".

---

**Virtual office workers cause more work for coworkers.**

**What Experience Has To Say:**

Before VO, supervisors and virtual office workers go through several training exercises to help them determine how they will manage their normal office duties without burdening coworkers. When surveyed, coworkers repeatedly responded that a VO employee does not impede the office routine and that the program should be expanded. Sixty-six percent of states non-virtual office workers and 72% of states virtual office workers disagreed with the statement that, "Scheduling meetings around the VO employee causes difficulties in my work unit."

Seventy-five percent of the states non-virtual office workers and 87% of the states virtual office workers disagreed with the statement that, "Having employees work at home makes my job more difficult."

### **Our type of jobs aren't compatible to a virtual office.**

#### **What Experience Has To Say:**

Research does not verify that complete businesses or categories of jobs are incompatible with VO. Jobs are really just a collection of tasks. Some tasks must be done at the office. Tasks which may be done away from the office are called VO tasks. The amount of VO an employee may do, depends on how many VO tasks they have each week and whether the equipment required to accomplish those tasks is available. VO is an individual arrangement where responsibilities are restructured to maintain work group integrity. Those arrangements are created by confronting the concerns and working out solutions.

A strong majority of non-VO respondents answered that they perform at least one VO job task on a regular basis. Of non-VO participants 83 percent indicated that their jobs tasks were suitable for VO.

The researcher noted that the major difference within groups occurred between those who were currently involved and those who had never been involved. This typically occurred when a barrier was raised by a non-VO participant and a solution was suggested by a VO participant. For example, to the stated objection by a focus group participant that his employees did not have job tasks that were suitable for VO, another supervisor currently supervising a virtual office worker responded that it was possible to reorganize job tasks so that VO was an option.

---

### **The public would not support State employees working from home.**

#### **What Experience Has To Say:**

Contrary to popular belief, the public understands the need for flexibility in the workplace and is in favor of offering the opportunity to qualified State employees.

Almost seven out of ten of those surveyed responded favorably to a plan that would allow qualified State employees to work at home one or two days a week instead of driving to work. The main reason people are favorable to a VO plan is that it would cut down on pollution and reduce traffic. Another frequently cited reason is that VO provides the ability to spend more time with family.

---

### **Our employees deal with confidential information so they can't telecommute.**

#### **What Experience Has To Say:**

Information security is a legitimate concern but VO should not create a significantly greater concern than is currently the case in the office. State VO policies stipulate that restricted access materials not leave the office without supervisory approval. Again, telecommuter/supervisor training and VO Agreements are used to answer the individual concerns and needs of each telecommuter, supervisor and their non-VO coworkers. During the training, supervisors and the virtual office worker will go through several exercises to help them take a closer look at what it will be like to work apart from the office full time. Worksheets help them identify and resolve potential complications before they become problems.

While State employees considered immediate access to information and reference materials to be important to their jobs, virtual office workers were less likely to find this a barrier to VO.

Seventy-six percent of the states non-Virtual office worker and 82% of State Virtual office worker disagreed with the statement that, "People who handle confidential information should not work from home."

### **Do's for the Virtual Office Worker**

- Have a workspace or workstation at home.
- Establish a morning routine like taking a walk around the block before you start.
- Keep a consistent schedule.
- Take breaks throughout the day.
- Keep your work organized so you know what paperwork is at home and what's at the office.
- Plan each day of work a day ahead of time.
- Let family members and neighbors know when and how often you can be interrupted.
- Call the office and keep in touch when required.
- Stick to all deadlines.
- Maintain or increase your level of performance.
- Take working from home seriously.
- Attend all department and group meetings or conference calls.
- Keep your supervisor informed of your progress.
- Have some type of routine to end your day.
- If working from home is not working for you, talk to your supervisor.

### **Don'ts for the Virtual Office Worker**

- Don't sit in bed or on the living room couch when working.
- Don't procrastinate or develop bad work habits.
- Don't change your work schedule from day to day.
- Don't let the radio or TV distract you or impair your professional image.
- Don't work at home if you are not getting along with family members.
- Don't work at home if you have a small child or elderly person who requires your constant care and attention.
- Don't snack too much!
- Don't start sleeping late.
- Don't continue working from home if it's not working for you.

## **Safety Guidelines for the Home Work Space**

Participating employees may use the following guidelines to assist them in a survey of the overall safety and adequacy of their alternate worksite. The following are only recommendations, and do not encompass every situation that may be encountered. Employees are encouraged to obtain professional assistance with issues concerning appropriate electrical service and circuit capacity for residential worksites.

1. Develop and practice a fire evacuation plan for use in the event of an emergency.
2. Check your smoke detectors regularly and replace batteries once a year.
3. Always have a working fire extinguisher conveniently located in your home, and check the charge regularly.
4. Choose office chairs that provide good supporting backrests and allow adjustments to fit you comfortably.
5. Locate your computer to eliminate noticeable glare from windows and lighting. Place the computer monitor at a height which is comfortable and does not produce neck or back strain. Locate computer keyboards at heights that do not cause wrist strain or place the keyboard on an adjustable surface.
6. Install sufficient lighting in locations to reduce glare on the work surface.
7. Arrange file cabinets so that opened drawers do not block aisles.
8. Be sure to leave aisle space, where possible, to reduce tripping hazards.
9. Always make sure electrical equipment is connected to grounded outlets.
10. Avoid fire hazards by never overloading electrical circuits.
11. Inspect and repair carpeting with frayed edges or loose seams. Avoid using throw rugs that can cause tripping hazards in your workspace.
12. Locate computers, phones, and other electrical equipment in a manner that keeps power cords out of walkways.
13. Keep your work area clean and avoid clutter which can cause fire and tripping hazards.
14. Do not allow non-AHCCCS employees to operate or repair Government-owned equipment.
15. Always keep AHCCCS files and information in a secure place and do not advertise your home office to strangers.
16. Always use proper lifting techniques when moving or lifting heavy equipment and furniture.
17. Always report accidents and injuries immediately to your supervisor.

## *The Virtual Supervisor Training Guide*

**PROCESS COMPARISON**

**VIRTUAL OFFICE MYTHS**

**SAFETY GUIDELINES FOR THE HOME WORK SPACE**

**MANAGING PERFORMANCE**

**DO'S FOR THE VIRTUAL SUPERVISOR**

**DON'TS FOR THE VIRTUAL SUPERVISOR**

**VIRTUAL OFFICE QUESTIONNAIRE FOR EMPLOYEE**



**Process Comparison**

**Current Office Process**

**Virtual Office Process**

<b>Managing by Productivity</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Managing by Productivity</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Communication</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Communication</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Planning</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Planning</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Work Environment</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Work Environment</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Measuring Success</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Measuring Success</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>
<b>Employee Issues</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>	<b>Employee Issues</b> <ul style="list-style-type: none"><li>○</li><li>○</li><li>○</li></ul>

### **Virtual Office Myths**

1. I won't know they are working from home
2. Virtual Office Employees must have a computer to work from home.
3. I won't get promoted if I work from home.
4. Virtual Office Employees are not available when you need them.
5. A virtual office setup is not for everyone, so it's not fair
6. Everyone will want to work from home.
7. Equipment will be expensive.
8. Virtual Office Employees cause more work for supervisors
9. Virtual Office Employees cause more work for coworkers.
10. Our type of jobs are not compatible to a virtual office environment.
11. The public would not support State employees working from home.
12. Our employees deal with confidential information so they can't work from home.

---

#### **I won't know they're working at home.**

##### **What Experience Has To Say:**

Supervisors discover they are better able to monitor the work by shifting the focus from how much work the employee looks like he or she is accomplishing to how much he or she actually is accomplishing. By focusing on the work product instead of the work activity, many supervisors find they are better able to communicate clear expectations to their employees. When supervisors and a virtual office worker agree on job expectations, it often leads to increases in employee productivity and job satisfaction. Many supervisors already use this method of management by results.

Mid-level managers and front-line supervisors reported that they felt supervising an employee working from home involved a change in management style from management by observation of the job being done to management of the results. The participants routinely reported as positive any changes they made to their management style in order to more effectively supervise a VO employee.

As reported by senior managers, logs and time sheets and daily or frequent contact with virtual office workers were the most typically used monitoring strategies. Seventy-seven percent of State non-virtual office worker and 86% of State virtual office workers disagreed with the statement that, "It is difficult to track the work products of virtual office worker."

State VO pilots consistently show that, after six months, both virtual office worker and their supervisors believe that a VO environment has increased the VO workers productivity. Productivity increases because employees have fewer distractions and interruptions, work at their personal peak times, and are less stressed due to the absence of the commute. The most commonly mentioned benefits of VO by senior managers were increased work efficiency and productivity, and increased employee morale.

Ninety-two percent of the Virtual office workers and seventy-two percent of the non-Virtual office workers disagreed with the statement that they would get less work done if they worked from home part of the time.

---

#### **Virtual office worker must have a computer to work from home.**

##### **What Experience Has To Say:**

AHCCCS will be providing the necessary computing and telephony equipment required for the VO worker to perform their job.

---

#### **I won't get promoted if I work from home.**

## ***Virtual Office Toolkit: Virtual Office Implementation - Educational Component***

---

### **What Experience Has To Say:**

Actually, current research suggests a virtual office worker is more likely to be promoted than their non-VO coworkers according to a study mentioned in the Advanced Management Journal, Summer '92. The reason for this may be that Virtual office workers tend to be selected by management because they work well independently and can be trusted to perform well remote from the office environment.

Eighty-nine percent of State Virtual office workers disagreed that they felt out of the loop when working from home. The employee survey found no significant difference in promotion rates between a Virtual office worker and a non-Virtual office worker.

---

### **Virtual office workers are not available when you need them.**

#### **What Experience Has To Say:**

A virtual office worker will work with their supervisors during training to create an individual agreement where responsibilities are restructured to maintain work group integrity and plan how they will maintain communication with the office and what will be done to meet contingencies. If the telecommuter is needed, he or she may be asked to come in to the office or join an emergency staff meeting by conference call.

Ninety-two percent of Virtual office workers and 80% of non-Virtual office workers disagreed with the statement, "A Virtual office worker is never around when you need them." State managers disagreed in the same proportion as employees.

---

### **VO is not for everyone, so it's not fair.**

#### **What Experience Has To Say:**

Offering the opportunity to work at home is a management option; VO is not a universal employee benefit. Supervisors may select employees who have right tasks, abilities and circumstances at home necessary to become a virtual office worker. But an employee's participation in the State's VO program is entirely voluntary. Not having the opportunity to work from home is not grounds for a grievance. VO is not for everyone and not everyone wants it. The focus on fairness can be deceiving. We all have different needs. Rather, look at fairness as offering several flexible work options like flextime or compressed work weeks so most everyone will have the opportunity to get the flexibility they need when they need it.

---

### **Everyone will want to work from home.**

#### **What Experience Has To Say:**

Most people prefer the normal work week. Everyone does not want or need the same flexibility in the work place. Flexibility in the workplace is not usually offered as a universal employee benefit, but at the option of management. A State employee with information handling tasks at least part of the time may be a candidate for VO. A successful virtual office worker is self-motivated and results-oriented employees who work well independently. They need minimal supervision, are currently successful in setting priorities, meet deadlines and take the initiative to communicate with team members. Beyond this, they need the right atmosphere and equipment to work from home.

A strong majority of non-VO respondents answered that they perform at least one VO job task on a regular basis. Of non-VO participants 83 percent indicated that their jobs task were suitable for VO, but 33% were not willing or didn't have resources at home to enable them to work from home.

---

### **Equipment will be expensive.**

#### **What Experience Has To Say:**

## ***Virtual Office Toolkit: Virtual Office Implementation - Educational Component***

---

Many employees find the opportunity to work from home is so worthwhile they choose to use their personal equipment when equipment is not available from their offices. Many agencies have computers that people can take home

The costs associated with implementing VO are small when compared to the costs of not implementing such options; consider the costs of continued loss of employee productivity due to stress, low morale, burnout and turnover. LA County, one of the largest VO programs in the country, found a 20:1 benefit to cost ratio in the fourth year of their VO program.

A strong majority of State employees (83%) indicated that their job tasks were suitable for VO. Sixty-seven percent of State employees have or would be willing to purchase the equipment necessary to allow them to telecommute.

---

### **A virtual office worker causes more work for supervisors.**

#### **What Experience Has To Say:**

Managing employees on a flexible schedule will require more communication of the work product and expectations. One of the extra benefits of flexible work options is that it forces management by task and objective. Many managers have found that the increase in quality communication with employees has reduced their overall workload over time. Reduced interaction with coworkers also forces communications to be more direct and business-like.

Managers and supervisors felt that there was no difference supervising a VO employee or a no VO employee, this was a non-issue. In all six groups supervisors and managers reported selecting virtual office worker based upon their previous good performance. In the majority of cases, the VO employee had to agree upon tasks to perform while at home and this performance was monitored closely.

Seventy-six percent of States non-Virtual office workers and 85% of the States Virtual office workers disagreed with the statement that, "It takes more time to supervise a VO employee".

---

### **Virtual office workers cause more work for coworkers.**

#### **What Experience Has To Say:**

Before VO, supervisors and virtual office workers go through several training exercises to help them determine how they will manage their normal office duties without burdening coworkers. When surveyed, coworkers repeatedly responded that a VO employee does not impede the office routine and that the program should be expanded. Sixty-six percent of states non-virtual office workers and 72% of states virtual office workers disagreed with the statement that, "Scheduling meetings around the VO employee causes difficulties in my work unit."

Seventy-five percent of the states non-virtual office workers and 87% of the states virtual office workers disagreed with the statement that, "Having employees work at home makes my job more difficult."

---

### **Our type of jobs aren't compatible to a virtual office.**

#### **What Experience Has To Say:**

Research does not verify that complete businesses or categories of jobs are incompatible with VO. Jobs are really just a collection of tasks. Some tasks must be done at the office. Tasks which may be done away from the office are called VO tasks. The amount of VO an employee may do, depends on how many VO tasks they have each week and whether the equipment required to accomplish those tasks is available. VO is an individual arrangement where responsibilities are restructured to maintain work group integrity. Those arrangements are created by confronting the concerns and working out solutions.

## ***Virtual Office Toolkit: Virtual Office Implementation - Educational Component***

---

A strong majority of non-VO respondents answered that they perform at least one VO job task on a regular basis. Of non-VO participants 83 percent indicated that their jobs tasks were suitable for VO.

The researcher noted that the major difference within groups occurred between those who were currently involved and those who had never been involved. This typically occurred when a barrier was raised by a non-VO participant and a solution was suggested by a VO participant. For example, to the stated objection by a focus group participant that his employees did not have job tasks that were suitable for VO, another supervisor currently supervising a virtual office worker responded that it was possible to reorganize job tasks so that VO was an option.

---

### **The public would not support State employees working from home.**

#### **What Experience Has To Say:**

Contrary to popular belief, the public understands the need for flexibility in the workplace and is in favor of offering the opportunity to qualified State employees.

Almost seven out of ten of those surveyed responded favorably to a plan that would allow qualified State employees to work at home one or two days a week instead of driving to work. The main reason people are favorable to a VO plan is that it would cut down on pollution and reduce traffic. Another frequently cited reason is that VO provides the ability to spend more time with family.

---

### **Our employees deal with confidential information so they can't telecommute.**

#### **What Experience Has To Say:**

Information security is a legitimate concern but VO should not create a significantly greater concern than is currently the case in the office. State VO policies stipulate that restricted access materials not leave the office without supervisory approval. Again, telecommuter/supervisor training and VO Agreements are used to answer the individual concerns and needs of each telecommuter, supervisor and their non-VO coworkers. During the training, supervisors and the virtual office worker will go through several exercises to help them take a closer look at what it will be like to work apart from the office full time. Worksheets help them identify and resolve potential complications before they become problems.

While State employees considered immediate access information and reference materials to be important to their jobs, virtual office workers were less likely to find this a barrier to VO.

Seventy-six percent of the states non-Virtual office worker and 82% of State Virtual office worker disagreed with the statement that, "People who handle confidential information should not work from home."

**Do's for the Virtual Office Worker**

- Have a work space or work station at home.
- Establish a morning routine like taking a walk around the block before you start.
- Keep a consistent schedule.
- Take breaks throughout the day.
- Keep your work organized so you know what paperwork is at home and what's at the office.
- Plan each day of work a day ahead of time.
- Let family members and neighbors know when and how often you can be interrupted.
- Call the office and keep in touch when required.
- Stick to all deadlines.
- Maintain or increase your level of performance.
- Take working from home seriously.
- Attend all department and group meetings or conference calls.
- Keep your supervisor informed of your progress.
- Have some type of routine to end your day.
- If working from home is not working for you, talk to your supervisor.

**Don'ts for the Virtual Office Worker**

- Don't sit in bed or on the living room couch when working.
- Don't procrastinate or develop bad work habits.
- Don't change your work schedule from day to day.
- Don't let the radio or TV distract you or impair your professional image.
- Don't work at home if you are not getting along with family members.
- Don't work at home if you have a small child or elderly person who requires your constant care and attention.
- Don't snack too much!
- Don't start sleeping late.
- Don't continue working from home if it's not working for you.

## **Safety Guidelines for the Home Work Space**

Participating employees may use the following guidelines to assist them in a survey of the overall safety and adequacy of their alternate worksite. The following are only recommendations, and do not encompass every situation that may be encountered. Employees are encouraged to obtain professional assistance with issues concerning appropriate electrical service and circuit capacity for residential worksites.

- 1.** Develop and practice a fire evacuation plan for use in the event of an emergency.
- 2.** Check your smoke detectors regularly and replace batteries once a year.
- 3.** Always have a working fire extinguisher conveniently located in your home, and check the charge regularly.
- 4.** Choose office chairs that provide good supporting backrests and allow adjustments to fit you comfortably.
- 5.** Locate your computer to eliminate noticeable glare from windows and lighting. Place the computer monitor at a height, which is comfortable and does not produce neck or back strain. Locate computer keyboards at heights that do not cause wrist strain or place the keyboard on an adjustable surface.
- 6.** Install sufficient lighting in locations to reduce glare on the work surface.
- 7.** Arrange file cabinets so that opened drawers do not block aisles.
- 8.** Be sure to leave aisle space, where possible, to reduce tripping hazards.
- 9.** Always make sure electrical equipment is connected to grounded outlets.
- 10.** Avoid fire hazards by never overloading electrical circuits.
- 11.** Inspect and repair carpeting with frayed edges or loose seams. Avoid using throw rugs that can cause tripping hazards in your workspace.
- 12.** Locate computers, phones, and other electrical equipment in a manner that keeps power cords out of walkways.
- 13.** Keep your work area clean and avoid clutter, which can cause fire and tripping hazards.
- 14.** Do not allow non-AHCCCS employees to operate or repair Government-owned equipment.
- 15.** Always keep AHCCCS files and information in a secure place and do not advertise your home office to strangers.
- 16.** Always use proper lifting techniques when moving or lifting heavy equipment and furniture.
- 17.** Always report accidents and injuries immediately to your supervisor.

## **Managing Performance**

### **How will managing performance of a virtual office worker be different?**

There should be no discernable difference between managing the performance of a virtual office worker and managing the employee who works at the main office. The processes for managing the performance of all employees should include:

- Planning work and setting expectations,
- Monitoring performance,
- Developing employee skills,
- Appraising performance, and
- Recognizing employees for their accomplishments.

A good supervisor who successfully performs the listing above on a daily basis should have little problem managing virtual office employees. Supervisors who do not have good performance management skills will probably be unsuccessful at managing a virtual office employee's performance and are probably already unsuccessful at managing employees in general. A virtual office environment puts the spotlight on the performance management skills of supervisors.

### **Planning Work and Setting Expectations**

Supervisors should use the performance appraisal process and the employee's performance plan to plan work and set expectations. Supervisors and employees should clearly define what the employee is to accomplish and ensure that the performance elements in the employee's performance plan align with and support organizational goals.

We recommend that at least part of an employee's performance plan focus on results, such as accomplishments, products, or services provided. Results are especially important to measure for virtual office employees since it may be hard for supervisors to observe activities, behaviors, or demonstrated competencies. Performance plans also should include performance standards that are measurable or at least verifiable. If employees know what they are supposed to do, and how well they are supposed to do it, the supervisor has set the stage for successful performance - whether the employee works inside or outside the office.

### **Monitoring Performance**

Monitoring performance includes measuring performance and providing feedback. In a virtual office situation (as in any work situation), measuring the results of employee's efforts rather than their activities can be more efficient and effective. Quantity, quality, timeliness, and cost-effectiveness are four general measures that supervisors should review. Once supervisors and employees establish performance measures, communicating performance on those measures should be frequent. Employees need feedback on their performance in order to maintain good performance and to improve overall.

Because virtual office employees are not close at hand to receive quick, informal feedback, supervisors will need to make conscious efforts to give feedback using methods in addition to face-to-face feedback, such as emails, phone calls and faxes.

In addition to supervisors providing feedback, employees need to keep supervisors informed about work progress. This is especially true for virtual office employees. Good communication between supervisors and employees are essential for successfully completing work and are especially necessary in a virtual office environment.



### **Developing Employee Skills**

By using appropriate screening methods employees should already have the skills they need in order to function in a virtual office environment successfully. But, as with all other employees, supervisors need to be aware of employee training and developmental needs. Supervisors should compare employee performance to the expectations established in employee performance plans and analyze which developmental opportunities the employee needs to perform successfully or to exceed expectations. In particular, virtual office employees and their supervisors should be alert to training and developmental opportunities that work well in virtual office environments, such as distance training or self-study training.

### **Appraising Performance**

Almost all employees must be appraised, generally annually. Supervisors should appraise all employees' performance against the elements and standards established in employee performance plans. If the elements and standards are measurable, observable, or verifiable, and if they focus on accomplishments rather than activities, the supervisor will find it easier to appraise employee performance, especially in a virtual office environment.

### **Recognizing Performance**

Particularly in situations where virtual office employees work off-site most of the time, supervisors need to take care that these employees still feel they are part of the office. Maintaining good communications is one important way to do this. Another way is to ensure that supervisors recognize the good performance of virtual office employees. Supervisors should not let virtual office employees feel as if their performance doesn't matter or that no one ever notices their achievements. All employees want to feel that their work is appreciated.

Recognition should always be part of the supervisor's performance management tool bag. Maintaining performance levels and meeting improvement goals is a requirement defined in virtual office agreements. To ensure this requirement is met, supervisors and employees must work together. Supervisors must practice top-notch performance management skills. Virtual office employees must be responsible for keeping supervisors informed of the status of products or services.

Finally, managers should discuss the impact of virtual office arrangements with the entire staff and should make certain that management addresses relevant concerns immediately. If the work unit is not accomplishing the work as expected, managers may need to make adjustments in virtual office arrangements. The decision to approve an employee for a virtual office environment is a management decision.

**Do's for Supervisors of Virtual Office Workers**

- **Trust** your virtual office worker.
- Encourage good organizational skills.
- Require virtual office workers to participate in program evaluations.
- Encourage goal setting.
- Give appropriate and timely feedback.
- Take the time to plan.
- Manage by measuring results. Ask for a weekly status report.
- Communicate regularly with virtual office workers and their coworkers.
- Use the virtual office environment as an opportunity to strengthen your management skills.
- Be flexible and creative; this is a learning experience.
- Expect changes.
- Take working from home seriously. Set the example.
- Plan meetings when your virtual office workers can participate.
- Include your virtual office workers in day-to-day activities.

**Don'ts for Supervisors of Virtual Office Workers**

- Don't conduct curfew checks.
- Don't call or e-mail your virtual office worker every hour to check on progress.
- Don't ignore your virtual office worker.
- Don't neglect problems. Deal with problems the same way you do for employees working on-site.
- Don't set unattainable goals.
- Don't manage by overbearing supervision.
- Don't expect perfection. Recognize there will be adjustments.
- Don't give "virtual office" a bad name before it even starts.
- Don't expect everyone to be a successful virtual office worker.

## **Virtual Office Questionnaire - Employee**

Please rate the following according to your existing job performance. Use a High, Medium or Low scale.

<b>Self Assessment - Employee</b>	<b>High</b>	<b>Med</b>	<b>Low</b>
Quality of organization and planning skills			
Discipline Regarding Work			
Reliability concerning work hours			
Level of Job Knowledge			
Productivity			
Quality Of Work			
Strong organizational and time management skills			
Is able to work independently, with minimal supervision and feedback			
Are considered successful in your current position			
Readily adapts to changing routines and environments			
Effective communicator and team player			
Ability to control and schedule work flow			
Self motivated and self disciplined			

<b>Employee Assessment - Supervisor</b>	<b>High</b>	<b>Med</b>	<b>Low</b>
Quality of organization and planning skills			
Discipline Regarding Work			
Reliability concerning work hours			
Level of Job Knowledge			
Productivity			
Quality Of Work			
Strong organizational and time management skills			
Is able to work independently, with minimal supervision and feedback			
Are considered successful in your current position			
Readily adapts to changing routines and environments			
Effective communicator and team player			
Ability to control and schedule work flow			
Self motivated and self disciplined			

### **Pilot Proposals**

Each position or group of positions should be proposed as a pilot before full implementation to ensure the possibility of success. A proposal will help address any challenges or needs that may need to be worked out before hand and create a formal decision process for executive staff to approve Virtual Office Efforts. The following is an example of a pilot proposal that AHCCCS created for consideration. In addition, this section includes a Pilot Action Plan Guidelines document that will help agencies better prepare for what lies ahead.

#### ***Virtual Office Pilot Proposal Example*** **AHCCCS/SSI MAO**

In selecting a DMS pilot for Virtual Office, several advantages come to mind when looking at the business processes at SSI MAO Office. Due to a recent imaging project, this office is “paperless”. With this technology, our eligibility staff has the capability to work from home without requiring physical case files to complete their tasks. Confidentiality becomes easier to manage when all the information is stored electronically. Another advantage is that the eligibility interviews are conducted by phone or mail, which lends itself well to a Virtual Office environment. With this option, we hope to demonstrate that the costs of space and utilities will be greatly reduced since eligibility staff will be working out of their home as opposed to a centralized office. Additionally, we are interested in looking at potential benefits to staff and the division, such as improving morale, reducing turnover and absenteeism, increasing productivity as well using it as a possible recruitment tool.

#### **Selection of the Virtual Office Team at SSI MAO**

An office wide email was sent out to determine interest in the pilot. A total of 47 individuals (about 50% of the staff) replied. We are proposing that representatives from all of the staffing groups at SSI MAO participate in the pilot. This will allow us to identify the potential problems and challenges that will be faced during the rollout. For this reason, we are proposing that the VO team be comprised of the following:

- 1) We will select one eligibility unit to include one (1) PSE Supervisor and six (6) Program Service Evaluators. To form the unit, several PSEs that meet the established criteria will need to be moved from other units and placed under the VO supervisor.
- 2) Several PSEs (up to four) will be selected from other units in order to give us the experience of supervising VO staff from the office. These PSEs will remain in their original units and report to their supervisors *who will not officially be part of the VO pilot*.
- 3) To identify some of the issues associated with the support staff, we plan to select, at least, two registration clerks for the pilot.

When selecting the team to pilot Virtual Office, our primary goal will be to select the most diverse team possible to allow us to work through the issues prior to rollout. Some of the critical program activities to be looked at are intakes, renewals, registration, specialty programs, and call center functions.

In establishing the criteria for staff selection, the SSI MAO management team identified the following: **productivity, quality and attendance**. They looked for experienced individuals who currently carry a full caseload with acceptable productivity, quality and attendance measurements. The majority of staff that volunteered is already telecommuting with favorable results. As long as the established criteria are

## ***Virtual Office Toolkit: Virtual Office Implementation - Pilot Proposals***

---

met, the number of telecommuting days will be expanded to three, possibly four, prior to the start date of the pilot within a couple of months but no later than June 1, 2006. We anticipate the pilot lasting 3-4 months. Please keep in mind, as we ready the VO team for the pilot, several staff will need to be moved to accomplish the reorganization that is required.

Due to high turnover and difficulty recruiting staff due to salary issues, we feel this option could be very attractive in the hiring and retention process. Due to the high volume of intakes and renewals in this office, we see this as a way to improve productivity and quality within the constraints of our resources. Many of our staff see Virtual Office as a perk or benefit, which will only improve morale in the workforce. Obviously, staff participating in this pilot will have reduced transportation costs, as well as other work related costs, such as clothing. We further believe absenteeism will be reduced, as employees may be more motivated to work from home even if they do not feel well enough to drive into work that day. This will promote a healthier work environment for the workforce in general, as it will be less likely for illness to spread among the remaining staff at the office.

### **Performance Measurements**

For all employees participating in the pilot, three (3) critical areas: *productivity, quality and attendance* will be evaluated using the following criteria:

- Productivity Standards:

<b>PSE I</b>		<b>PSE II</b>		<b>PSE III</b>	
<u>Case Type</u>	<u>Weekly</u>	<u>Case Type</u>	<u>Weekly</u>	<u>Case Type</u>	<u>Weekly</u>
1. Intake	38-55	1. Intake	41-60	1. Intake	43-63
2. Renewal	55-66	2. Renewal	60-72	2. Renewal	63-75
3. Changes	38-55	3. Changes	41-60	3. Changes	43-63
4. Alerts	110	4. Alerts	121	4. Alerts	127

### **CSR's -Registration**

<u>Document type</u>	<u>Weekly</u>
1. Intake	230-275
2. Renewal	550-687
3. Changes	385-440
4. Supporting Doc.	550-632

### **PSE Supervisor**

1. Review 10 cases per month per worker. Supervisor will check for quality and timeliness.
2. Productivity/Overdue Reports updated and maintained weekly.
3. Conduct Monthly Conferences.
4. Conduct weekly unit meetings.
5. Monitor employee attendance.
6. Complete annual ESE.

- Quality Standards:

Case Accuracy

### **QA (Quality Assurance)**

5 Reviews will be completed per month by Quality Assurance staff on each PSE.

### **QI (Quality Initiatives)**

10 Reviews will be completed per month by SSI MAO Supervisors on each PSE.

- 4 Approval Actions

## ***Virtual Office Toolkit: Virtual Office Implementation - Pilot Proposals***

---

- 4 Denial Actions
- 2 Change Actions

Monthly conferences QA/QI will be measured by percentages only. Reviews will be based on a controlled average which is a representative sampling of the PSE, CSR, and PSE Supervisors' performance.

5 QA Reviews= 10% each = 60% rating  
10 QI Reviews= 5% each= 40% rating

Rating	% Correct
<b>5.0</b>	<b>100% (Exceptional)</b>
4.50	97.5 %
<b>4.0</b>	<b>95 % (Exceeds)</b>
3.5	92.5 %
<b>3.0</b>	<b>90% (Standard)</b>
2.5	87.5%
<b>2.0</b>	<b>85% (Substandard)</b>

Obviously, we are concerned about communication and how this will be handled in a VO environment. The SSI MAO team is already addressing how we can avoid common pitfalls. We have concerns about staff that volunteered for the pilot but don't have the money to purchase high-speed internet access. Also, due to the younger age of our current workforce, child care is a critical concern. How will this be looked at in the VO setting? How restrictive do we need to be? In addition, staff will need the ability to call customers from their homes without using their residential phone lines. To ensure privacy, Cisco phones need to be installed prior to the start of VO. We are not clear how quickly this task can be accomplished or the resources needed to make this happen. Another issue is how to incorporate staff from the hotline in the pilot due to the differences in the phone system. These are just some of the issues we are grappling with as we develop our plans to pilot VO in SSI MAO. As part of this process, we identified some of the **equipment needs** to consider as we move forward:

- PC/Thin Client, keyboard and mouse/pad
- Web cam – to promote communication between management/supervisor and staff
- Fax machine – to send verification requests to and from employers
- Monitor (large screen)
- Printer for RFI's, notices, and printing out monthly conferences for supervisors
- Ergo chair
- Computer stand
- Cisco phone – for conference calling, contacting customers, monitoring calls, direct access to voice mail, transferring calls to a supervisor/coworker
- Router – for splitting home and work PCs
- File cabinet for personnel files (for supervisors only)
- High speed internet and modem (Cox or Quest)
- Office supplies – pens, markers, writing tablets, post-its, wire basket for documents/papers, notebooks, desk aids
- Access to “MS Live Meetings” technology

In summary, we are very excited to be a part of this Virtual Office pilot. Your consideration of this proposal is appreciated. Please let me know if you have any questions.

## ***Pilot Action Plan Guidelines***

To participate in Virtual Office, a division or work unit should use the following steps to ensure success.

**Conduct a Division VO kickoff meeting with division mgmt** – this meeting is important to achieve buy-in and support from all management, whether their particular employees are participating or not. The cooperation and feedback from across the division will be important. At a minimum, the agenda should review pilot process, distribute templates/IT handouts, and give opportunity for question and answer. Additionally, determine a communication plan regarding Virtual Office for the rest of the division.

**Gather requirements** – This critical step helps determine which jobs can participate in Virtual Office. For jobs being considered, **a job analysis** should be conducted and current **productivity measurements** should be documented. If productivity measurements are not in place for a particular job, then HRD can assist the unit to develop measures. Division management should **establish participant criteria** or selection process. By establishing criteria, fewer questions will occur in the future. **IT requirements – software and hardware** – must be discussed with ISD. A small number of participants with work with ISD to ensure testing of requirements is successful. Piloting with a small group can help work out the bugs before moving to larger numbers of similar job duty employees.

Arrange for **manager/supervisor introductory VO training** to help them understand the VO policy, as well as communication and productivity requirements associated with VO participation.

**Write pilot plan** (who will participate, what will be measured, what level of productivity determines success) and present it to the Virtual Office Steering Committee. Once approved the pilot employees will be added to the established timelines for **equipment staging** in the office/cube, followed by **employee training**, then VO.

Future rollouts of similar job functions from that division do not need VO Steering Committee approval, but do need to follow the training and IT equipment-staging plans.

## **Implement, Evaluate, and Adjust**

Each position transitioned into Virtual Office should be evaluated after an adequate amount of time (approximately one to three months) to the effectiveness of making the transition permanent. Adjustments (i.e., technological changes, additional training for employees, new measurements, etc.), if needed, can be made during this evaluation. The following surveys are tools that can be used for the evaluation. It is critical that both participants and non-participants be evaluated.

### ***End of Pilot Survey for the VO Participant***

This survey is designed to assess your experiences during the first six months of the Virtual Office pilot. Please take the time necessary to complete this survey so that a comprehensive evaluation of the program can be made. Individual responses are confidential and will be used for program evaluation purposes only.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Agency/Department: \_\_\_\_\_

Office location: \_\_\_\_\_

Work phone number: \_\_\_\_\_

1. How long have you worked for this agency?

\_\_\_\_\_ Years          \_\_\_\_\_ Months

2. How long have you worked in present position?

\_\_\_\_\_ Years          \_\_\_\_\_ Months

3. How do you presently get to work?

Drive alone          \_\_\_\_\_ days a week

Car pool            \_\_\_\_\_ days a week

Bus                  \_\_\_\_\_ days a week

Van pool            \_\_\_\_\_ days a week

Walk                \_\_\_\_\_ days a week

Bicycle             \_\_\_\_\_ days a week

Telecommute       \_\_\_\_\_ days a week

4. How far is it from your home to work (one way)?

\_\_\_\_\_ miles one way

5. Please indicate below the class of vehicle you normally use on the days you drive to work.

\_\_\_\_\_ Subcompact

\_\_\_\_\_ Compact

\_\_\_\_\_ Intermediate

\_\_\_\_\_ Full-size

\_\_\_\_\_ Compact pickup

\_\_\_\_\_ Full-size pickup



## ***Virtual Office Toolkit: Other Tools for Implementation***

---

- \_\_\_\_\_ Minivan  
\_\_\_\_\_ Full-size van
6. How many minutes does it usually take you to get to work (on the average)?  
\_\_\_\_\_ minutes one way
7. How many minutes does it usually take you to get home from work (on the average)?  
\_\_\_\_\_ minutes one way
8. What time do you usually arrive at work? (please select a.m. or p.m. and indicate time)  
\_\_\_\_\_ a.m. or \_\_\_\_\_ p.m.
9. What time do you usually leave work? (please select a.m. or p.m. and indicate time)  
\_\_\_\_\_ a.m. or \_\_\_\_\_ p.m.
10. Is telecommuting reducing your commuting costs?  
\_\_\_\_\_ Yes, by an estimated monthly savings of \_\_\_\_\_ %  
\_\_\_\_\_ No
11. What day(s) do you normally telecommute?  
\_\_\_\_\_ Monday \_\_\_\_\_ Tuesday \_\_\_\_\_ Wednesday  
\_\_\_\_\_ Thursday \_\_\_\_\_ Friday \_\_\_\_\_ No set day - it varies each week
11. If you have a designated Virtual Office day(s), were you able to telecommute on that/those day(s) each week for the majority of the last six months?  
\_\_\_\_\_ Yes  
\_\_\_\_\_ No, some weeks it was necessary to switch days  
\_\_\_\_\_ No, some weeks I was unable to telecommute  
\_\_\_\_\_ Not applicable since it varies each week
12. In addition to telecommuting, do you work an alternative schedule?  
\_\_\_\_\_ No  
\_\_\_\_\_ Yes, nine-hour days with one day off every two weeks  
\_\_\_\_\_ Yes, ten-hour days with one day off every week  
\_\_\_\_\_ Yes, other (please describe) \_\_\_\_\_
- If you do work an alternative schedule in addition to telecommuting, have you experienced problems doing both?  
\_\_\_\_\_ No  
\_\_\_\_\_ Yes (please explain) \_\_\_\_\_
13. Where in your home do you usually work while using a Virtual Office?  
\_\_\_\_\_ Spare room \_\_\_\_\_ Kitchen \_\_\_\_\_ Dining room  
\_\_\_\_\_ Living room \_\_\_\_\_ Other (please identify) \_\_\_\_\_
14. What kinds of work do you do while using a Virtual Office? (please check as many as apply)  
\_\_\_\_\_ Writing/typing/editing \_\_\_\_\_ Word processing  
\_\_\_\_\_ Data management/computer programming \_\_\_\_\_ Reading/planning/research

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

\_\_\_\_\_ Talking on the phone      \_\_\_\_\_ Field visits  
\_\_\_\_\_ Other (please specify) \_\_\_\_\_

Is this kind of work easier to do at home than in the office?

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

Are there other reasons you select this kind of work to do while using a Virtual Office?

\_\_\_\_\_ Yes (please explain) \_\_\_\_\_

15. Do you do anything special to put yourself in a working frame of mind while using the Virtual Office?

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

If yes, what do you do? \_\_\_\_\_

16. Have you been successful at keeping work and home separate when using the Virtual Home Office?

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

17. While working at home during the last six months, did you find that additional communications hardware or software could have been helpful?

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

18. Did you need technical support from the office while using the Virtual Office? (Help with hardware or software, etc.)

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

If yes, what kind?

\_\_\_\_\_ Hardware assistance      \_\_\_\_\_ Software assistance  
\_\_\_\_\_ Other (please describe) \_\_\_\_\_

19. While using the Virtual Office, how do you usually get your messages?

\_\_\_\_\_ I call in      \_\_\_\_\_ Office calls me      \_\_\_\_\_ Voice mail  
\_\_\_\_\_ Call forwarding  
\_\_\_\_\_ Other (please describe) \_\_\_\_\_

How well did this method work?

\_\_\_\_\_ No problems  
\_\_\_\_\_ Few problems  
\_\_\_\_\_ Major problems (please describe) \_\_\_\_\_

20. While using the Virtual Office, how often do you typically call your office?

\_\_\_\_\_ Times a day

21. While using the Virtual Office, how often do you typically receive calls from your office?

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

\_\_\_\_\_ Times a day

22. Has using the Virtual Office:

Helped you better manage your time?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

Enabled you to work at your personal peak time?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

Favorably affected the way you meet work objectives?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

Given you the opportunity to plan better and to be more organized?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

23. If you've been able to plan better, has this enabled you to be more productive in the office?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

24. As a result of using the Virtual Office, have you made any beneficial changes to your working style (habits, schedules, methods, etc.) at home or in the office?

\_\_\_\_\_ Yes (please elaborate) \_\_\_\_\_

\_\_\_\_\_ No change

25. Have you found that you experience fewer distractions while working at home?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

26. Do you find yourself promoting the Virtual Office? (check as many as apply)

\_\_\_\_\_ Yes, to family

\_\_\_\_\_ Yes, to friends

\_\_\_\_\_ Yes, to coworkers

\_\_\_\_\_ Yes, to business contacts

\_\_\_\_\_ No

27. Does your immediate family/roommates support your telecommuting activity?

\_\_\_\_\_ Yes

\_\_\_\_\_ No

\_\_\_\_\_ Not an issue - I live alone

28. Has the Virtual Office affected the relationship between you and your coworkers?

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

- ☐ Yes, positively
- ☐ Yes, negatively
- ☐ No

If yes, how? \_\_\_\_\_  
\_\_\_\_\_

29. Do any of your coworkers resent the fact that you telecommute?

- ☐ Not at all
- ☐ Somewhat
- ☐ A great deal

30. Have any of your coworkers expressed an interest in using a Virtual Office?

- ☐ Yes
- ☐ No

31. While using a Virtual Office, do you miss the social interaction of the office?

- ☐ Never
- ☐ A little
- ☐ A lot

32. Has using a Virtual Office affected the relationship between you and your supervisor?

- ☐ No
- ☐ Yes, positively
- ☐ Yes, negatively

If yes, how? \_\_\_\_\_  
\_\_\_\_\_

33. Has your supervisor shown more or less confidence in you since you've been using the Virtual Office?

- ☐ More confidence
- ☐ No change
- ☐ Less confidence

34. Does your supervisor telecommute?

- ☐ Yes
- ☐ No

If so, how has this affected you? \_\_\_\_\_  
\_\_\_\_\_

35. Have you felt guilty about having the opportunity to work at home while others may not?

- ☐ Not at all
- ☐ A little
- ☐ A lot

36. What is your present attitude toward using a Virtual Office?

- ☐ Positive

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

- ☐ Somewhat positive
- ☐ Neutral
- ☐ Somewhat negative
- ☐ Negative

37. Have your expectations of using a Virtual Office matched the realities of working at home?

- ☐ Yes
- ☐ No

If no, why not? \_\_\_\_\_

38. If given a choice, would you rather spend more, less or the same amount of time using a Virtual Office?

- ☐ More time
- ☐ The same amount of time
- ☐ Less time

If less, why? \_\_\_\_\_

39. Has your attitude toward your present job changed since you've been given the opportunity to work at home?

- ☐ Greatly improved
- ☐ Slightly improved
- ☐ Remained the same
- ☐ Slightly worse
- ☐ Much worse

40. In future career choices, would the option of using a Virtual Office affect your decision?

- ☐ Very much
- ☐ Somewhat
- ☐ Not at all

41. Has using a Virtual Office provided you with benefits that you haven't already mentioned?

- ☐ Yes
- ☐ No

If yes, please describe \_\_\_\_\_

42. Have you encountered any problems while working at home that you haven't already mentioned?

43. What would you do to enhance the Virtual Office program?

44. Would you recommend expanding the Virtual Office program to include additional employees within this agency?

- ☐ Yes
- ☐ No

45. What type of trust issues, if any, resulted from using the Virtual Office?
46. Do you feel the number of days designated for telecommuting was adequate?  
☐ Adequate  
☐ Too much  
☐ Not enough
47. How easy or difficult is it to do quality control?
48. Was sick or annual time-off decreased or increased?  
☐ Increased  
☐ Decreased  
☐ No change
49. Was morale affected in the employees not working at a Virtual Office?
50. In the future, what is the best way to choose telecommuters?
51. Do you have additional comments or concerns you would like to express?

**Thank you for your participation.**

***End of Pilot Survey for VO Non-Participant***

For the past six months, some of your coworkers have been participating in the Virtual Office pilot program. Please take a few moments of your time and fill out the following questionnaire regarding your thoughts about the program.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Agency/Department: \_\_\_\_\_

Office location: \_\_\_\_\_

Work phone number: \_\_\_\_\_

1. How long have you worked for this agency?  
\_\_\_\_\_ Years          \_\_\_\_\_ Months

2. How long have you worked in present position?  
\_\_\_\_\_ Years          \_\_\_\_\_ Months

3. How do you presently get to work?

Drive alone          \_\_\_\_\_ days a week  
Car pool            \_\_\_\_\_ days a week  
Bus                   \_\_\_\_\_ days a week  
Van pool            \_\_\_\_\_ days a week  
Walk                \_\_\_\_\_ days a week  
Bicycle             \_\_\_\_\_ days a week  
Telecommute       \_\_\_\_\_ days a week

4. How far is it from your home to work (one way)?  
\_\_\_\_\_ miles one way

5. Please indicate below the class of vehicle you normally use on the days you drive to work.

\_\_\_\_\_ Subcompact  
\_\_\_\_\_ Compact  
\_\_\_\_\_ Intermediate  
\_\_\_\_\_ Full-size  
\_\_\_\_\_ Compact pickup  
\_\_\_\_\_ Full-size pickup  
\_\_\_\_\_ Minivan  
\_\_\_\_\_ Full-size van

6. How many minutes does it usually take you to get to work (on the average)?  
\_\_\_\_\_ minutes one way

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

7. How many minutes does it usually take you to get home from work (on the average)?  
\_\_\_\_\_ minutes one way
8. What time do you usually arrive at work? (please select a.m. or p.m. and indicate time)  
\_\_\_\_\_ a.m. or \_\_\_\_\_ p.m.
9. What time do you usually leave work? (please select a.m. or p.m. and indicate time)  
\_\_\_\_\_ a.m. or \_\_\_\_\_ p.m.
10. Were you aware of the Virtual Office pilot program?  
\_\_\_\_\_ Yes  
\_\_\_\_\_ No
11. Were you aware of coworkers who were telecommuting?  
\_\_\_\_\_ Yes  
\_\_\_\_\_ No
12. Were you given the opportunity to participate as one of the initial group of telecommuters?  
\_\_\_\_\_ Yes  
\_\_\_\_\_ No

If yes, did you choose not to participate?

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

If yes, what prevented you from participating? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13. If given the opportunity, would you consider telecommuting one or more days a week?  
\_\_\_\_\_ Yes  
\_\_\_\_\_ No
14. Do you feel a Virtual Office would positively affect your present level of job satisfaction?  
\_\_\_\_\_ Yes  
\_\_\_\_\_ No

If yes, why? \_\_\_\_\_  
\_\_\_\_\_

15. How did the Virtual Office coworkers affect your office routine?  
\_\_\_\_\_ Positive effect  
\_\_\_\_\_ Negative effect  
\_\_\_\_\_ No effect

If yes, how? \_\_\_\_\_  
\_\_\_\_\_



## ***Virtual Office Toolkit: Other Tools for Implementation***

---

What were the positive effects? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

17. If there were negative effects, what were they? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How were these problems solved? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

18. Would you recommend expanding the Virtual Office program to include additional employees within this agency?

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

19. What type of trust issues, if any, resulted from using the Virtual Office?

20. Do you feel the number of days designated for telecommuting was adequate?

\_\_\_\_\_ Adequate  
\_\_\_\_\_ Too much  
\_\_\_\_\_ Not enough

21. How easy or difficult is it to do quality control?

22. Was sick or annual time-off decreased or increased?

\_\_\_\_\_ Increased  
\_\_\_\_\_ Decreased  
\_\_\_\_\_ No change

23. Was morale of employees not working in a Virtual Office affect? If so, how?

24. In the future, what is the best way to choose telecommuters?

25. Do you have additional comments or concerns you would like to express?

**Thank you for your participation.**

## *Other Tools for Implementation*

### **Business Case Example**

#### **A Business Case for Virtual Office at the Arizona Health Care Cost Containment System (AHCCCS)**

The Arizona Health Care Cost Containment System (AHCCCS) is a public-private partnership that uses federal, state, and county funds to provide health care coverage to the State's acute and long term care Medicaid population, low-income groups, and small businesses. AHCCCS is a managed care system that mainstreams recipients, allows them to choose their providers, and encourages prevention and the coordination of quality care. Currently, more than one million individuals, approximately 18% of Arizonans, receive health care coverage through AHCCCS. Arizona is one of the fastest growing states in the nation, with a changing population and a changing economic climate. The increased population, coupled with a proliferation of low wage jobs and increasing health insurance costs, has contributed to significant growth of the AHCCCS program. Moreover, this growth reflects a change in the AHCCCS population from one comprised primarily of non-working welfare recipients to one comprised of the working poor.

Along with the increasing population, AHCCCS has experienced an increased workload. **Attracting and retaining a competent staff** is critical to ensure that the Agency's goals are met with quality and cost effectiveness. Some key issues related to the AHCCCS workforce include:

- **Aging Workforce**: The average age of AHCCCS employees is 44 years, an age similar to that of other state agencies. However, approximately 10% are nearing or have passed their 80 points and are eligible for retirement. These individuals will be leaving after long tenures and with extensive knowledge of the Agency's operations. Without attention to employee retention and succession planning, the attrition of these experienced employees could significantly impact the Agency's ability to fulfill its mission.
- **Absenteeism and Turnover**: Similar to other state agencies, AHCCCS experiences higher rates of absenteeism and turnover than the private sector. The Agency's turnover rate in SFY 2005 is over 20% and continues to trend upward. The cost of this turnover involving covered positions alone is estimated at \$1.3 million. Absenteeism at AHCCCS averages 9 unplanned days per year. Nationally, according to the Bureau of National Affairs, turnover is around 13.2% and absenteeism is 3.13 days per year.
- **Compensation**: AHCCCS membership and its programs continue to expand within the context of budget constraints that limit full-time positions and salaries and challenge recruitment and retention efforts. State salaries remain at an estimated 22% below the market level. Recruitments for critical professional level positions take upwards of 9 months to a year in many cases. The responsibilities of these positions are far greater than the compensation available. For example, the division responsible for Health Care Management experienced a 38% turnover in professional staff in 2005 with every departing manager leaving for salaries that are tens of thousands more dollars annually.
- **Changes in Job Complexity**: As technology replaces the mundane and routine work, a shift toward higher-skilled "knowledge worker" jobs is occurring. Positions currently used as entry-level opportunities are requiring more skill and yet are still paying at just under \$11.00/hour with little to no hope for salary increases as the complexity of the job duties are learned.

These key issues (aging workforce, absenteeism and turnover, compensation, and changes in job complexity) call for new strategies. One such strategy, **Virtual Office**, appears promising.

Virtual Office provides an opportunity to take a fresh look at the roles and responsibilities of employees and supervisors in work areas and to determine if changes in job descriptions might result in the maximum effectiveness of existing staff.

## Virtual Office Toolkit: Other Tools for Implementation

Virtual Office (VO) can address an aging workforce by providing the flexibility to continue to work part time from home to employees after retirement. Additionally, VO technology gives the remaining workforce the opportunity to connect with retiring AHCCCS employees, document those interactions, and validate keeping them on payroll part-time.

Although key attractions of VO is increased productivity and decreased costs, employees see virtual office as a “pay increase” due to decreased work related expenses (e.g., transportation, appropriate work attire, after school care and dependent care). This advantage partially addresses employee compensation issues. The time savings and reduced stress from eliminating the daily commute are also valuable to the employee and the employer alike as wellness and work-life improvements.

Virtual Office is a strategy that addresses employee retention and absenteeism and improves productivity. Research shows that an average increase in productivity of 30% can be expected from full time work employees that work from home. Additionally, reductions in turnover and absenteeism have been noted by such employer giants as AT&T, American Express, the Federal Government, and Los Angeles County, to name a few. In fact, LA County has one of the largest Virtual Office workforces in the country and documented a 20:1 benefit to cost ratio in the fourth year of their program.

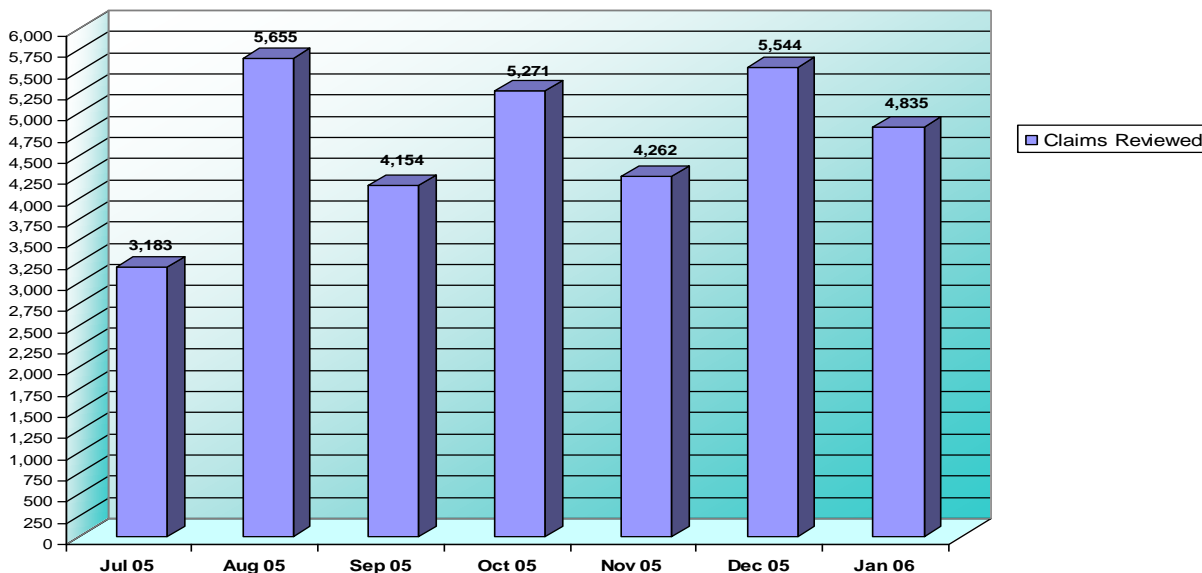
On average, a company can save more than \$1,000 for office space/utilities per employee that no longer reports to a centralized office. Some companies have been able to reduce “headquarters” to a minimal staff with meeting facilities; the rest of their employees work from home. These arrangements save incredible facilities costs over the long term. For example, since 1995 AT&T reduced its office space by 50% and has saved \$500 million in office lease costs. At AHCCCS, Facilities estimates a savings approximately \$5,000 per year.

Companies like McKesson in Scottsdale Arizona have been able to attract a different workforce by using technology to allow employees to work from home – those with disabilities and those who are retired. McKesson specifically targets those populations to increase the applicant pool for its positions.

### Virtual Office at AHCCCS

In early FY 2006, the Division of Fee for Service Management (DFSM) began a pilot to test Virtual Office concepts by sending four employees home to work for 4 days per week. The DFSM Virtual Office pilot project showed a seven month average increase from 2,101 claims medically reviewed per month to a seven month average of 4,700 claims medically reviewed per month – an 87% increase.

**Claims Reviewed**

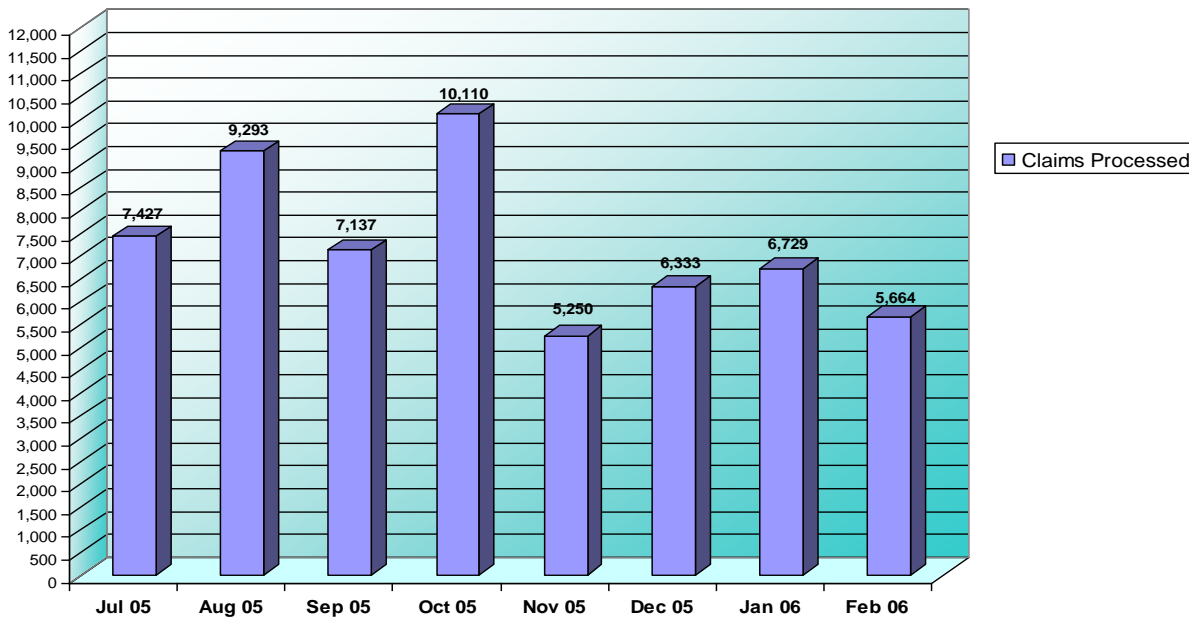


## Virtual Office Toolkit: Other Tools for Implementation

Additionally, claims processed moved from a pre-virtual office average of 5440 to an eight month average of 7242 per month – a 33% increase.

These numbers may seem incredible, but private sector firms like AT&T have reported increases in productivity of 75%!

Claims Processed



### DFSM PILOT - Commute Costs

The advantages of a home based Virtual Office for these four pilot participants were readily measured in commute costs. Vehicle costs are divided into operating (or out of pocket) costs including gas and oil, maintenance, insurance, license and registration, and depreciation assuming an average of 12,500 miles annually. External costs are the effects of automobiles on the surrounding environment, such as: traffic services, roadway land value, roadway costs, crash damages, etc. The assumed external cost is \$0.42/mile. By offering telecommuting services to these four subjects, AHCCCS will save the community \$15,764.83 and each individual an average of \$7,000 per year.

- AHCCCS Virtual Worker #1 lives in Apache Junction with a 32 mile / 45 minute commute.

Time Savings: 360 hours per year = 9 forty hour work weeks

	Monthly	Annually
Vehicle Cost	\$701.76	\$8,421.12
External Cost	\$553.15	\$6,637.82
Total Cost	\$1,254.91	\$15,058.94

- AHCCCS Virtual Worker #2 lives in Glendale with a 32 mile / 30 minute commute.

Time Savings: 240 hours per year = 6 forty hour work weeks

Car pools and rides the bus = cannot calculate individual \$ savings.

- AHCCCS Virtual Worker #3 lives in Scottsdale with a 26 mile / 35 minute commute.

Time Savings: 280 hours per year = 7 forty hour work weeks

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

	Monthly	Annually
Vehicle Cost	\$659.62	\$7,915.44
External Cost	\$449.44	\$5,393.23
Total Cost	\$1,109.01	\$13,308.67

- AHCCCS Virtual Worker #4 lives in Scottsdale with an 18 mile / 26 minute commute.

Time Savings: 208 hours per year = 5.2 forty hour work weeks

	Monthly	Annually
Vehicle Cost	\$394.74	\$4,736.88
External Cost	\$311.15	\$3,733.78
Total Cost	\$705.88	\$8,470.66

Figures are adjusted for vacation, holidays, and sick leave time normally taken during a year. Source: Working From Home by Paul and Sarah Edwards. Statistics are from the Online TDM Encyclopedia – Vehicle Costs, June 2004. Size of car impacts the cost per mile.

### **Turnover and Absenteeism**

The DFSM study did not specifically address turnover or absenteeism; however, employees participating in the pilot did indicate that they are able to not miss work for illness that may have kept them at home, now that home is where they work. Employees indicated they were better able to manage their time and had fewer distractions at home as compared to the workplace.

### **Recommendations for AHCCCS**

The DFSM pilot has added 8 additional employees since the original pilot ended in January. The Division of Member Services (DMS) began a pilot of 13 on April 17, 2006 that includes 13 individuals from its SSI/MAO unit. By the end of 2006, a large enough portion of SSI-MAO will be working Virtual Office to allow KidsCare and SSI-MAO central office employees to occupy one building. Other units, such as DMS Quality Assurance, Human Resources and Development (HRD), and Information Services Division (ISD) are currently beginning their functional job analysis to determine how to measure productivity while working virtually.

The AHCCCS VO Steering Committee recommends that the Pilot Implementation Process be followed by each division as they join in the VO efforts. Documentation is critical to the ongoing success of Virtual Office.

If each division adopts Virtual Office and begins the analysis required for pilot participation, more accurate projections can be made related to percentage of participation, cost avoidance, and actual savings.

### **Advantages of Telecommuting (from Capitol Rideshare)**

<b>FOR THE COMMUNITY</b>	<b>FOR THE EMPLOYER</b>	<b>FOR THE EMPLOYEE</b>
<b>Decreased rush hour traffic</b>	<b>increased productivity</b>	<b>decreased stress</b>
<b>Decreased air pollution</b>	<b>decreased absenteeism and sick leave usage</b>	<b>decreased commuting time, cost and frustration</b>
<b>Decreased gasoline consumption</b>	<b>decreased turnover</b>	<b>increased flexibility to work at personal peak times</b>

<b>Decreased dependence on foreign oil</b>	<b>competitive advantage in recruitment</b>	<b>improved job satisfaction</b>
<b>safer neighborhoods</b>	<b>increased labor pool</b>	<b>improved work environment with fewer distractions</b>
<b>Ability to move employment to outlying areas where housing is more affordable</b>	<b>improved managerial techniques</b>	<b>increased safety in the home and community</b>
<b>Ability to move job opportunities to areas of high unemployment</b>	<b>improved employee morale</b>	<b>closer bonds with the family and the community</b>
<b>Increased employment opportunities for the homebound</b>	<b>compliance with Americans with Disabilities Act</b>	<b>decreased cost of dry cleaning and food</b>

## **Memo summarizing participants post-pilot survey responses**

**DATE:** February 27, 2006

**TO:** Linda Martin, Assistant Director, DFSM

**FROM:** Bruce Jameson, Business Analyst, DFSM

**SUBJECT:** DFDM Virtual Office Pilot Project

---

The DFSM Virtual Office Pilot Project is now completed. The participants, non-participants, and supervisors in the units involved (Claims Medical Review and Claims Adjudication) have completed post-pilot surveys. The results of these surveys are highlighted below.

### Participants

- Participants said their commuting costs decreased by as much as \$100 per month
- None of the participants reported any difficulty in keeping work and home separate
- All of the participants said they were able to plan better and be better organized
- All of the participants said they were better able to manage their time
- All of the participants reported that they experienced fewer distractions while working at home
- Two of the participants indicated that they missed social interaction “a little”
- None of the participants said their working relationships with co-workers and supervisors was impacted
- Two of the four participants said their attitude toward their job has “greatly improved”
- All of the participants recommend expanding the Virtual Office concept throughout the agency

### Non-participants

- All of the non-participants expressed an interest in working in a Virtual Office
- None of the non-participants said their working relationships with co-workers was impacted
- All of the non-participants said working in a Virtual Office would positively impact their level of job satisfaction
- None of the non-participants reported any negative effects or impact

### Supervisors

- Both supervisors said VO participants’ production “increased substantially”
- Both supervisors noted that their workloads “increased slightly”
- Both supervisors want their employees to continue to work in a Virtual Office setting
- Both supervisors recommended expanding the Virtual Office concept throughout the agency

## The True Cost of Commuting

### Hours per Year

ONE WAY MINUTES	ROUND TRIP MINUTES	HOURS PER YEAR	EQUIVALENT 40 HOUR WEEKS
10	20	80	2
20	40	160	4
30	60	240	6
40	80	320	8
50	100	400	10
60	120	480	12

Figures adjusted for vacation, holidays and sick leave time normally taken during a year. Source: Working From Home by Paul and Sarah Edwards

### Cents Per Mile

VEHICLE SIZE	ORIGINAL VEHICLE COST DEPRECIATED	MAINTENANCE ACCESSORIES, PARTS & TIRES	GAS & OIL (INCLUDING TAXES)	INSURANCE	TOTAL COST
Subcompact	8.6	5.5	4.8	7.1	26.0¢
Compact	8.7	5.5	5.4	7.0	26.6¢
Intermediate	10.7	6.1	6.3	7.0	30.1¢
Full-Size	13.5	6.6	6.8	7.2	34.1¢
Compact Pick-Up	8.7	5.9	5.7	7.2	27.5¢
Full-Size Pick-Up	9.5	6.4	8.5	7.2	31.6¢
Minivan	11.8	6.0	7.0	7.0	31.8¢
Full-Size Van	14.2	6.8	11.1	8.5	40.6¢
$\frac{\text{Daily Round Trip Commuting Distance}}{\text{Total Cost from above for your type of vehicle}} \times \frac{\text{Daily Round Trip Commuting Cost}}{\text{\# working days/month}} = \frac{\text{Monthly Round Trip Commuting Cost}}{\text{\$}}$					

Statistics are from National Transportation Statistics, Annual Report, U.S. Department of Transportation, June 1992, Table 28.



## **Virtual Office Policy Template**

### **Introduction**

The implementation of a Virtual Office business model increases <agency name> flexibility to meet changing business needs, decreases agency costs, improves productivity, decreases employees expenses, improves air quality, and increases employees' flexibility in managing work and family responsibilities.

This policy provides guidance and procedures for establishing Virtual Office (VO) arrangements that balance individual flexibility with <agency name> collective business strategies.

### **Definitions**

<b>Assistant Director</b>	Assistant Director, in this policy means the Assistant Director of the Division or the Assistant Director's Designee, from the Division in which the employee works.
<b>Virtual Office</b>	A fully functional worksite that is not bound to a specific location but is portable and scalable, connecting employees to the work process in the most advantageous setting, rather than employees having to come to a central office site to connect to the work process.
<b>Virtual Office Worker</b>	An Employee working at home or at a remote location for more than 50% of the work week with no designated individual workspace or computer equipment provided at a State office.
<b>Teleworking</b>	Working at home or at a satellite location for <u>some portion of the workweek</u> . Distinguished from VO in that the employee still has a workspace at the office and reports to the office a minimum of one day per week. This employee will be known as a "Teleworker."
<b>Virtual Office Agreement</b>	A written agreement detailing what has been agreed upon in order for the employee to be a successful virtual office worker to meet business needs.
<b>Virtual Office Coordinator</b>	<agency name> employees responsible for planning, managing & implementing the Virtual Office for a specific division.
<b>Virtual Office Steering Committee</b>	A committee that plans, advises, and helps to implement a Virtual Office program for their organization.

### **Policy**

- <agency name> Virtual Office will be regarded as different from <agency name> Teleworking and, as such will have its own policies, procedures, etc.
- <agency name> employees, (original probation, promotional probation, limited, permanent status and uncovered) may be eligible for virtual office work. The division's management will determine measurable work performance standards. Management's decision to not allow an employee to work in a virtual office environment is not grounds for a grievance.
- Each <agency name> division must participate in a pilot prior to moving large numbers of positions to VO. Each pilot must capture and document performance measurements, benefits, and lessons learned prior to expansion beyond the pilot.
- Continued Virtual Office participation is determined by consistently meeting the measurable work performance standards established by the division's management.

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

- High speed internet access is required for participation in VO. Other business requirements must be established specific to the division/unit prior to participation in a pilot.
- A Thin Client device will be used for all VO computer connections. Printers will not be distributed for VO workers.
- A <agency name> Virtual Office program cannot be implemented and will not be supported by <agency name> unless their business area(s) has been identified as a Virtual Office candidate by the division's executive management.

### **Procedures**

Since every Virtual Office implementation is different, the information provided in the "Procedures" section of this policy should only be used as a general guide to implement a successful Virtual Office program. The Virtual Office Steering Committee will help facilitate and guide the participating <agency name> division through their own, specialized Virtual Office implementation needs.

#### **I. Initiating the Virtual Office Process**

If an <agency name> unit has been designated as an area that may qualify for a Virtual Office implementation (as indicated by the division's executive management), the supporting manager must contact the **<the Steering Committee Chair's working title (i.e., HR Director)>** to be scheduled for the Virtual Office Steering Committee's meeting agenda. The <agency name> Virtual Office Steering Committee has been formed to advise, guide and help orchestrate a Virtual Office implementation from start to finish. The <agency name> Virtual Office Steering Committee members consist of Human resources, Information Technology and training experts.

#### **II. Gathering Requirements**

##### Job Analysis

An analysis of the entire employee's work processes must be completed. The job analysis is used to ensure that processes, procedures, hardware and software requirements that currently support the business unit will not hinder an employee's ability to perform their work duties from a remote office location. Basically, positions that do not require face to face communication with customers and do not require any process or procedure that must be physically performed at an <agency name> office location, would qualify. Position examples would include:

- Data Analysis
- Programming
- Writing and Reviewing Policy
- Report Analysis
- Telephone intensive positions
- Data Entry
- Word Processing
- Investigations
- Budget Analysis

Exceptions to this position description would be for combinations of VO at home and VO in an office. Generic workspace for staff could be established for those employees to come into the office to meet certain job requirements, such as face-to-face contact with customers.

***Initially, having several employees "pilot" working from home one to four days per week will help to clarify immediate process issues with the position in consideration for a Virtual Office program.***

##### Productivity Measurements

Baseline productivity and improved productivity measurements as a result of a Virtual Office implementation need to be established and measured. The Arizona Department of Administration Telework Program has developed standard measurements that should be used when determining Virtual Office savings and benefits, which can be located on the Business Strategy webpage of the Telework Website at [www.teleworkArizona.com](http://www.teleworkArizona.com). Productivity and quality are two main measures of Virtual Office success or failure. A summarized document of benefits and savings should be created as

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

a communication tool for employees participating in the program. Initial productivity improvement estimates may have to be adjusted once the Virtual Office program is implemented and running for at least 6 months.

### **III. Communication Plan**

Continuous communication is the key to a successful Virtual Office implementation. A Virtual Office communication plan needs to be established and updated regularly as the participating unit progresses from the VO pilot through full implementation. A communication plan that includes the steps outlined in this procedure would be required at a minimum.

### **IV. Employee Pilot VO Participation Criteria / Selection**

Not all employees will qualify or want to participate in a Virtual Office program. A survey ([Attachment #1](#)) can be used to measure how many employees would want to participate in the Virtual Office pilot program as well as determine their current home work environment. An employee questionnaire ([Attachment #2](#)) can be used as a tool by the supervisor / manager to assess an employee's ability to participate in a Virtual Office program based on their current and past work performance. Selecting your best employees for the pilot phase of a Virtual Office implementation has been recognized as a "best practice".

### **V. IT Software Assessment**

A software assessment \ GAP analysis of the participating pilot unit will be assessed by ISD to ensure Virtual Office compatibility. This assessment will be scheduled as part of the Virtual Office Steering Committee's normal agenda.

### **VI. Training**

There are (3) training classes that must be completed before any employee starts to participate in the VO program from their home office. Training timelines will be established as part of the Virtual Office Steering Committee's normal agenda.

- Virtual Office Training –Tips on how to work in a virtual environment.
- Virtual Office In a Box – What equipment does a VO worker receive and how do they install it.
- "iLinc" software training – Training on how to use iLinc, a web conferencing tool.

### **VII. Pilot Rollout**

Before employees can go home with their "thin client" equipment and setup their Virtual Office environment, ISD will "stage" the equipment at the participating employee's workstation (at <agency name>) for (1) week. This process is used to help the employee become familiar with their "thin client" equipment as well as to ensure that there are no software, hardware or process issues. Once the "staging" is complete and successful, employees participating in the Virtual Office pilot can work from home at any time, however, participants must complete steps 8 and 9 before working from home full time.

### **VIII. Required Documentation**

- Participating VO employees must fill out an "Equipment Check Out Form" ([Attachment #3](#)), which will be used to track the Virtual Office equipment assigned to employees participating in the program. A copy of this form must be kept by the supervisor / manager, the ISD department and in the personnel file of the employee which is held by HRD. This data will also be keyed into HRIS by HRD.
- Employees must fill out a "Virtual Office Agreement" ([Attachment #4](#)) prior to leaving the office.
- Employees must read and understand the "Virtual Office Timesheet Submission Process." ([Attachment #5](#))
- Employees must read and understand the "Information Technology User Affirmation Statement." ([Attachment #6](#))

### **IX. Post Pilot Surveys**

Once the pilot has been implemented for 6 months, a survey should be completed for both pilot participants and non-participants in the same work unit. The surveys should be used to gauge the success of the pilot program as well as to capture best practices and unforeseen issues. All changes and adjustments should be implemented and documented before going forward with the "Phased Rollout."

### **X. Phased Rollout**

At this stage, a phased rollout of the Virtual Office process should be implemented for the remainder of the staff\unit that were identified in the beginning of this process.

### **Appendices to the Policy:**

#### **I. Employees who VO must**

1. Adhere to the official Virtual Office Agreement. The employee is responsible for obtaining supervisory approval prior to making any changes in the schedule described in the approved Agreement.
2. Adhere to the <agency name> Information Technology User Affirmation Statement. ([Attachment #6](#))
3. Complete all required virtual office training.

#### **II. Employees who VO may at their discretion:**

1. Check with their tax accountant regarding any tax implications from working at home.
2. Check with their auto insurer now that they are not commuting with their automobile.

#### **III. Supervisors / Managers of Virtual Workers shall:**

1. Monitor workload and needs to ensure adequate office coverage during all normal working hours and be responsible for maintaining adequate staff coverage to meet daily workload requirements.
2. Consult with the employee in completing the Virtual Office Agreement.
3. Pre-approve any meetings between the employee and <agency name> customers held at an alternative work site. Meetings with customers must not be conducted at the employee's home.
4. Ensure the Virtual Office Agreement is updated and communicated to employees as changes occur.
5. Complete all required virtual office training.
6. Reclaim all state equipment from employees who are no longer participating in the Virtual Office program.
7. Monitor performance results frequently.

### **Authority**

Human Resources is responsible for this policy. Revisions to this policy are under the authority of HR and the Virtual Office Steering Committee.

### **Revisions**

Effective date: <enter the effective date in which VO will commence>

Revision date: <enter any revision dates here>

***Virtual Office Policy Attachment #1: VO Questionnaire – Work Environment***

Please rate the following according to your existing job requirements and work environment.

<b>Work Requirements</b>	<b>Yes</b>	<b>No</b>	<b>Not Sure</b>
Are you interested in working from home?			
Do you currently have access to high speed internet connectivity (Cox, Qwest etc)?			
Do you work from home now?			
Do you have adequate space at home for a home office?			
Are there any distractions / obligations at home that will make it difficult or impossible to work from home?			
Do you need physical security of the information, data and materials you work with?			

***Virtual Office Policy Attachment #2: Virtual Office Questionnaire - Employee***

Please rate the following according to your existing job performance. Use a High, Medium or Low scale.

<b>Self Assessment - Employee</b>	High	Med	Low
Quality of organization and planning skills			
Discipline Regarding Work			
Reliability concerning work hours			
Level of Job Knowledge			
Productivity			
Quality Of Work			
Strong organizational and time management skills			
Is able to work independently, with minimal supervision and feedback			
Are considered successful in your current position			
Readily adapts to changing routines and environments			
Effective communicator and team player			
Ability to control and schedule work flow			
Self motivated and self disciplined			

<b>Employee Assessment - Supervisor</b>	High	Med	Low
Quality of organization and planning skills			
Discipline Regarding Work			
Reliability concerning work hours			
Level of Job Knowledge			
Productivity			
Quality Of Work			
Strong organizational and time management skills			
Is able to work independently, with minimal supervision and feedback			
Are considered successful in your current position			
Readily adapts to changing routines and environments			
Effective communicator and team player			
Ability to control and schedule work flow			
Self motivated and self disciplined			

**Virtual Office Policy Attachment #3: Equipment Checkout Form**

<b>User Information:</b>			
Name:		Check Out Date:	
EIN:		Check In Date:	
Div./Dept.			
Work Phone:		Home Address:	
Home Phone:			

<b>Equipment Information:</b>			
QTY	Barcode	Description	Serial Number / MAC

<b>Agreement and Acceptance</b>
---------------------------------

I agree 1) that I have read and understand the Equipment Checkout Policy; 2) to use this equipment solely in support of the agency; 3) that I am fully responsible for this equipment for the duration of the check out period; 4) that I accept this equipment in good working condition; 5) that I will return this equipment to ISD in the same condition on a previously agreed check in date; 6) that any violation of this agreement is subject to review by the Network Services Manager and/or the ISD Assistant Director.

I acknowledge that upon termination of my employment with AHCCCS all signed for equipment will be returned on or before the termination date. \_\_\_\_\_

I acknowledge that I have been informed of the non-provisioning of E911 services from this phone in my residence and accept the restriction. \_\_\_\_\_

As an AHCCCS Virtual Office worker, I acknowledge that my home is designated as my workstation. \_\_\_\_\_

Signature:

Date:

Authorized Signature:

Date:

--	--

--	--

<b>Return Information:</b> <i>(To be completed by Network Services)</i>
---

Received By:	Date:	Time:
Comments:		

***Virtual Office Policy Attachment #4: Virtual Office Agreement***

By participating in the Virtual Office (VO) Program, I, \_\_\_\_\_, agree to the following:

1. I will adhere to all policies and laws associated with my employment with the Department and the State of Arizona including the policies and procedures set forth in the Department's Virtual Office Program.
2. My virtual office work address is shown below. I will notify my supervisor, in writing, of any changes to the address of my virtual office location as soon as possible, but no later than five (5) working days from the actual change.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. My approved virtual office work schedule, including scheduled days and hours of work, is shown below. I will be considered to be in pay status while working at my virtual office worksite. Any changes or exceptions to the established work schedule require prior supervisory approval.

Saturday: \_\_\_\_\_

Sunday: \_\_\_\_\_

Monday: \_\_\_\_\_

Tuesday: \_\_\_\_\_

Wednesday: \_\_\_\_\_

Thursday: \_\_\_\_\_

Friday: \_\_\_\_\_

4. In case my supervisor needs to contact me, I have provided the following alternative phone numbers as a means to reach me. I will notify my supervisor, in writing, of any changes to these phone numbers as soon as possible, but no later than five (5) working days from the actual change.

( ) - \_\_\_\_\_

( ) - \_\_\_\_\_



## ***Virtual Office Toolkit: Other Tools for Implementation***

---

I agree to the following terms that are unique to my VO Agreement:

---

---

---

### **EMPLOYEE ACKNOWLEDGEMENT AND SIGNATURE**

I have read and understand the DES VO Program policy and agree to the conditions detailed in this policy. I also understand that failure to comply with all aspects of this policy may result in my removal from participation in VO Program.

Employee's Name (print or type): \_\_\_\_\_

Employee's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### **AUTHORIZING APPROVALS**

Supervisor's Name (print or type): \_\_\_\_\_

Supervisor's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Manager's Name (print or type): \_\_\_\_\_

Manager's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Program Administrator's Name (print or type): \_\_\_\_\_

Program Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### **DISTRIBUTION**

Original: Department Personnel File \_\_\_\_\_

Copies to: Participating Employee, Participating Supervisor, Manager, Program Administrator

## ***Virtual Office Policy Attachment #5: Virtual Office Timesheet Submission Process***

### **Virtual Office Timesheet Submission Process**

#### **First Week of Pay Period**

<b>Monday</b>	<b>TUE</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
Virtual Office employee will obtain timesheets along with preprinted envelopes. Employee will begin recording time on on-line timesheet. (VO workers were given a stack of blank timesheets to take with them before first day of working from home. "on-line timesheet" is a Word document that can be attached to an e-mail to the supervisor.)				PAYDAY

#### **Second Week of Pay Period**

<b>Monday</b>	<b>TUE</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
		Virtual Office employee will enter actual time through Tuesday of second week of Pay Period and projected time for Wednesday through Friday on on-line timesheet and email to supervisor by 10 am. Supervisor will approve via email and submit to PC who will submit to Payroll with other timesheets for the unit. If VO employee is recording leave time, an on-line Leave Request must also be emailed to supervisor for approval.		If Virtual Office employee has adjustments to timesheet that was submitted on Wednesday, at COB make adjustments and email to supervisor for approval. Supervisor will then forward approval to PC via email. VO employee will then fill out a blank paper timesheet so it matches the final timesheet submitted via email. VO employee will sign this hard copy of timesheet, put in pre-addressed envelope and mail to business office no later than Monday.

#### **Pay Week (Also first week of next Pay Period)**

<b>Monday</b>	<b>TUE</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
Not later than today, the original, hard copy (paper), signed timesheet MUST BE mailed to business office for approval signature. If leave time is being recorded, original, hard copy signed Leave Requests must also be mailed. Approved email adjustments sent on the previous Friday are due in to Payroll by 10 am. PC must submit adjusted timesheet for VO employee along with email adjustment request from VO employee with approval from supervisor attached.		Original, hard copy of timesheet signed by VO employee received at business office. Supervisor (or next available manager) will sign hard copy and submit to PC.	Hard copy timesheet with original signatures from both VO employee and supervisor (or next available manager) must be submitted to Payroll by 10 am .	PAYDAY

## ***Virtual Office Policy Attachment #6: User Affirmation Statement Form***

I understand that all personnel who have access to the AHCCCS computer network and data are bound by applicable laws, rules and AHCCCS directives, including but not limited to, AHCCCS Administrative Policies and Procedures, AHCCCS Privacy and Security Policies, ARS 13-2316, ARS 41-1959, ARS 41-770, and ARS 38-448. I agree to abide by all applicable laws, rules and AHCCCS directives, and I pledge to:

1. Reveal AHCCCS data only to those persons, whether outside or within AHCCCS, who have been specifically authorized to receive such data by the AHCCCS Privacy and Security Policy, division-level policies on routine disclosures, and/or the permission of my supervisor.
2. Only access/enter/alter/erase AHCCCS data related to my assigned job duties.
3. Never use AHCCCS data for direct or indirect personal gain or any other non-work related purpose.
4. Never use another employee's AHCCCS Logon ID and password or ask another employee to reveal his/her personal AHCCCS Logon ID and password.
5. Never reveal my AHCCCS Logon ID and password except to the Assistant Director of my division, the Agency Director or Deputy Director, upon request. I may also reveal my Logon ID to ISD Data Security, ISD Customer Support, or the DMS Technical Service Center if it is necessary to resolve a problem.
6. Use state equipment in a manner that is both legal, ethical and shows restraint in the consumption of shared resources regardless of whether it is being used for work-related or personal reasons. I will refrain from monopolizing systems, overloading networks with excessive data, excessive downloading of files, connect time, disk space, printer paper, manuals or other resources, to the best of my ability.

In addition, I recognize that:

1. Personal use of state equipment may only occur before or after my work hours or during lunch. I understand that personal use of state equipment is not allowed during my break or regular work hours. I understand that I must abide by AHCCCS policy 825 – Use of State Services, Computers and Other Equipment which addresses more specific provisions on the use of State property.
2. State equipment may not be used to access, download, print or store information that depicts nudity or sexual activity. I also understand that state equipment may not be used to operate a private business and that I am not allowed to download or save personal files to the network.
3. AHCCCS licenses the use of computer software from a variety of companies. Neither AHCCCS nor its employees own this software or its related documentation and unless authorized by the software developer, do not have the right to copy or alter the software or the documentation.
4. AHCCCS employees must not copy, download, or install computer software. ISD Network Services is solely responsible for the installation and licensing of software.
5. AHCCCS employees who are aware of any misuse of state equipment, software or data within the agency shall promptly notify their manager/supervisor or Assistant Director.

## ***Virtual Office Toolkit: Other Tools for Implementation***

---

6. The Arizona Attorney General's Office will not represent, and the agency will not provide legal representation to an employee who is sued or prosecuted for the illegal misuse of state equipment, software or agency data.

7. Use of the network services provided by the State (e.g., e-mail, Internet, data and voice communication) is subject to monitoring. Appropriate action will be taken to ensure that applicable federal and state laws, regulations, and directives governing confidentiality and security are enforced. A breach of procedure occurring pursuant to agency policy or misuse of AHCCCS property including computer programs, e-mail, equipment and/or data may result in disciplinary action up to and including dismissal, and/or prosecution in accordance with any applicable provision of law, including Arizona Revised Statutes, Section 13-2316.

**My signature below confirms that I have read and understood this form. I accept responsibility for adhering to all applicable laws, rules, and AHCCCS directives. Failure to sign this statement will mean that I will be denied access to AHCCCS data, computer equipment, and software, which may affect my continued employment or contract with AHCCCS.**

Name of Employee (Last, First, M.I.) Print Signature Mail Drop Date